

FEBRUARY 1, 1938



TWENTY CENTS

Sales Management

★ **Retrieving the Lost Selling Hours in the Salesman's Work Day—By Ray J. Comyns**

MICHIGAN STATE COLLEGE
OF AGRICULTURE AND SCIENCE
F 3 '38

★ **A \$216,000,000 Industry: Southern California's Reward for Faith in Advertising**

★ **Telechron Clock Sales Zoom Through Policy of Selected Outlets Well Supported**

★ **How 5,000 Typical Consumers Rate Cigarette, Liquor and Clothing Advertising**

★ **Marketing Pictographs—Significant Trends—Scratch-Pad—Marketing Flashes**

THE MAGAZINE OF MODERN MARKETING

Fortune Readers = Business Men = Customers = Fortune Readers = Business Men = Customers = Fortune Readers = Business

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Your Customers are Business Men

Business men spend industry's
dollars on steel and storage batteries. They
spend their own dollars on new cars and
cameras. Whatever your product is, busi-
ness men buy it.

Business Men Read Fortune

FORTUNE writes of business as no
other magazine can. Naturally people in-
terested in business read it. They keep
subscribing because FORTUNE is clear,
accurate, and interesting.

Fortune Readers Read the Ads

89% of FORTUNE's readers say
they turn to the advertising pages with the
same conscious interest with which they
read FORTUNE's editorial pages. Some say
the advertising in FORTUNE is the only ad-
vertising they read.

Business

A strong, skilful advertising cam-
paign in FORTUNE may be seen and read
by each one of FORTUNE's 130,000 sub-
scribers and by 2,000,000 of their friends,
relatives and business associates who beg or
borrow it each month. "Strong, skilful"
means persuasive and believable. And if
you get an audience like FORTUNE's believ-
ing in your product—that means Business.

FORTUNE, 135 EAST 42ND ST., NEW YORK



If the advertising dollar were human, it would probably be picketing THIS WEEK Magazine.

For we've devised a stretch-out-speed-up-overtime system that's wearing out poor Buck . . . We've shown the advertiser how to make each dollar "sell BOTH sides of the counter."

And more and more advertising dollars are feeling it. 1,229,043 of

'em in 1935. 2,275,961 in 1936. 3,446,214 in 1937.

If you feel, as we do, that every dollar should roll up its sleeves and go to work today, try THIS WEEK. You'll have a magazine campaign that sells more than 5,300,000 families, coast to coast—yet has the local sales influence of twenty-four great metropolitan newspapers that your best dealers swear by.

THIS WEEK sells BOTH sides of the counter





Those Hot Hottentots

Q.—What makes the Hottentot tots hot?

A.—The weather.

But if the weather's hot, or whether it's not, the Hottentot tots have got into advertising. Fairbanks, Morse & Co. have gone and done it. Just to add a little gaiety to the world—and sell air conditioners—they've developed a series of full-page ads, now starting in trade papers, featuring the hot Hottentot tots who can stand lots of humidity.

But for you and me to stand it, it's pointed out, is stupidity. F. M. & Co., the story goes, make you cool without frigidity. The series is scheduled to run in *American Restaurant, Building and Building Management, Retail Ledger, Motion Picture Herald*, and *Rand-McNally's Bankers Monthly*.

If their readers get the idea properly, the Hottentot tots will help to make life more comfortable to lots of us next Summer when we go places and do things. Let's hope for the idea's validity. It's a pleasant change from stuffed-shirt ads.



Back Issue Supply

If you have a hankering to get hold of copy of *Candy Gazette* for July, 1902, or to refresh your memory of the financial status of the country from a 1922 issue of *Baron's*, or buy Vol. 1, No. 1 of the *Saturday Review of Literature*—in fact, if you want almost any issue of almost any magazine that has ever been published—then soak up this bit of information. The H. W. Wilson Co., New York, publishers of such literary aids—"tools" they call them—as *Reader's Guide to Periodical Literature*, *Book Review Digest*, *International Index to Periodicals*, etc., has an amazing stock of magazines on hand which they will supply to dilemmaed back-issue magazine seekers, in most cases for the original cost of the publication.

In the Wilson stacks are some 2,500,000 magazines of every size, shape, description, subject matter, nationality and name. Many of the files are complete, dating from the year one of the magazine's lifetime; others have gaps because all copies of certain issues have been sold out, or perhaps weren't available in the

first place. But still there are enough and sundry magazines stacked up on three floors of a brand new building, which Wilson built mainly to house its periodical department, to fill 85% of all of the orders from stock. To fill requests for magazines that aren't in stock, the company conducts a searching party, sends out "want lists" and scours libraries and other magazine-producing sources all over the globe, attends auction sales that might produce bound volumes of magazines, until a desired magazine is found, or hope of finding it abandoned. Sometimes it takes a bit of time and searching, sometimes the wanted magazine doesn't turn up, but such widespread searches send Wilson's filled-order boast up to about 95%.

Wilson's best customer for magazines at present is Russia, whose schools and colleges are building up technical libraries with big orders of engineering publications, medical journals, building magazines, etc. The company did a big business with Japan for years after the last earthquake, restocking libraries that were destroyed in the shake-up. One of the most popular publications—people write for complete sets—is *National Geographic*, the most recent sale of a set of that magazine, from the first issue published in 1888, going to a library in South Africa.

At people who say "I've heard that you can get \$100 for a copy of the first issue of *Life*," the Wilson Co. laughs. There are about ten copies of the first issue of *Life* in the Wilson files, which anybody interested can buy for a dollar each. Copies of the second issue sell for 50 cents, other issues for the regular price, a dime. Also, Wilson files are well stocked with first issues of *Look* and *Fortune*, the latter selling for about \$2.50.

The periodical department of the H. W. Wilson Co. is a by-product of the other big business that the company does—supplying libraries all over the world with guides to published literature. The 41-year-old company was started by a man who still is active head of the place, 70-year-old Halsey William Wilson. He has a monopoly on the reader's guide business. His is the only company in the world that gives readers a complete list of books that have been published and tells them where to find published newspaper and magazine articles on any subject. Out of its guiding readers business, the company has an annual sales volume of approximately \$1,000,000.

"Some Like It Hot, Some Like It Cold"

Soup's On, ladies and gentleman. Nice dry soup, served hot, the invention of Mr. Iseberg—get it? M. A. Iseberg, president of Universal Cocoa Products Corp., Chicago, began in Midsummer last year to toy with the idea of a concentrated mixture of dehydrated beef stock, powdered, some 18 vegetables and cereals, three kinds of fancy noodles, and an admixture of some 12 seasonings and spices—all put up in a 6x1½ inch Cellophane cartridge to sell over the counter at ten cents per take.

Add two quarts of cold water, boil for one hour, and you have a complete soup. Just good, run-of-mill water's all that's needed and the cost is about a penny a plate. Or, if you want to vary it a bit, you can add a can of tomatoes, fresh tomatoes or tomato juice and, presto, you have tomato soup.

Beginning with a few advertisements strategically placed in the food trade press, and merchandising through regular food trade distributors, Mr. Iseberg has swiftly built up national distribution. Women demonstrators are being used, too, in certain large department stores.

"Soup's On" is the name used to identify this new "dry soup" which tucks neatly in the pocket for the homeward trip. This isn't the first time that Universal Cocoa Products Corp. has merchandised food specialties more or less removed from the cocoa line. Another, which is going well, is "Confetti."

Mr. Iseberg sells that, in similar cartridges, to trim up and glorify the icings on cakes and French pastries, etc. On a cold day think of Mr. Iseberg's hot soup or on a hot day of his icings—or is that approaching the pun?

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The Christian Science Monitor is a Local Paper to Merchants in Indianapolis



© Photograph by Fairchild Aerial Surveys, Inc.

105
Local Advertisers
in Indianapolis used
The Christian Science
Monitor in
One Year

"MY MONITOR ADVERTISEMENT is
second only to my street window
display," writes one of the 105 Indianap-
olis advertisers using The Christian
Science Monitor. "Many of its readers
have become customers and friends."

Another Indianapolis merchant says,
"My experience with The Christian Sci-
ence Monitor as an advertising medium
is very satisfactory. In fact I feel that I
get more returns for the money spent
than from any other advertising I do,
newspaper or otherwise."

A medium that serves local advertisers
so satisfactorily has an assured value
for the national advertiser. Our nearest
office will gladly give the complete story.

Names of writers quoted will be given on request.

THE CHRISTIAN SCIENCE MONITOR

A DAILY NEWSPAPER FOR ALL THE FAMILY

Published by The Christian Science Publishing Society, One, Norway Street, Boston, Massachusetts

NEW YORK OFFICE: 500 Fifth Avenue OTHER BRANCH OFFICES: Chicago, Detroit, St. Louis, Kansas City, San Francisco, Los Angeles, Seattle, Miami . . .
London, Paris, Geneva

9th ANNUAL ISSUE
1938
 SURVEY
 of
BUYING POWER



No More Privacy

After SALES MANAGEMENT statisticians and financial diagnosticians dismantle a trading area, state or county it stands as naked and unadorned as a gold fish in a bowl, stripped to its market essentials:

Where its people live.

How much they have to spend.

What they spend.

Where they spend it.

Then it gets a Buying Power "tag" or index, in our National Survey of Buying Power, as simple and indicative as an "80 lb." reading on a scale.

These indexes are readily acceptable most everywhere as being *authoritative*; they give Sales Executives, Marketing Departments, Advertising Managers and Agencies accurate yard-sticks of Sectional buy-ability.

Here's a grand place to tell a media story. SALES MANAGEMENT, 420 Lexington Avenue, New York City.



[4]

Show Room Show-off

Meet Charlie McHotpoint! Charlie's a new salesman who is putting over the points for Hotpoint appliances. He went to work a few weeks ago, with the aid of a ventriloquist, at the various Hotpoint Partners' Meetings as an employe, sort of, of the Edison General Electric Appliance Co., Chicago. Since then Charlie McHotpoint has stepped up a bit.

A merry little rascal, he's a replica of Hotpoint's famous "Red Man." In his present reincarnation he is moulded in unbreakable fibre, head and limbs jointed, able to bow, wave, cock his head at any angle, hold his arms aloft or step out as though walking.

In each hand he has a slot, the better to hold display cards which feature the five lines of Hotpoint appliances: Electric ranges, water heaters, refrigerators, home laundry equipment and dishwashers. He's going to be seen about quite a bit inasmuch as he's signed up to promote the 1938 line.

Bright little fellow, Charlie, in his paint. Meet him in your Hotpoint dealer's showroom. It may be borrowing an idea, but what's an idea or two among friends? O.K., Charlie, glad t' meetcha.



Turkey, Ice Cream, Movies

If the likes and dislikes of boys and girls of America are merely those of New York City multiplied, turkey, ice cream, bananas are predominantly the nation's favorite juvenile foods.

The study, made for the Boys' Athletic League, New York, by Erwin M. Frey, public relations counsel, embraced 22,416 New York boys and girls. It covered favorite meats, desserts, vegetables, fruits, sports, athletes; whether or not they want to go to college; whose company—masculine or feminine—they prefer, and whether or not they'd rather read, go to the movies or listen to the radio. The youngsters ranged in age from 6 to 16.

Both boys and girls (41 and 33%) like turkey best. Hash was runner-up among meats with the boys, chicken with the girls. Although ice cream led among desserts with both sexes, 66% of the girls preferred it, as against 38% of the boys. Pie came close to first in masculine preference.

Believe it or not, spinach (23%) ranked first with boys, being slightly ahead of corn (21%). Corn slightly outranked spinach with girls (30 and 28%). Bananas were the top fruit with both—followed, among boys, by apples and oranges, and among girls, by oranges and pineapple.

Swimming definitely outranked skating as the favorite sport of girls, and football was slightly ahead of baseball (39 and 33%) with boys. On the other hand, the boys ranked DiMaggio, Babe Ruth and Jack Dempsey, in order, as their favorite athletes; the girls, Sonja Henie, Dempsey and DiMaggio.

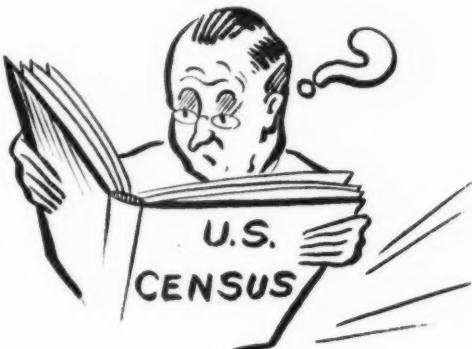
Eighty-seven per cent of the boys liked boys' company best (they said), while only 59% of the girls' preferred girls' company.

As you've probably guessed, youngsters of both sexes would rather go to the movies than read books or listen to the radio. Among girls books were a poor second and radio (14%) a much poorer third. Radio slightly outranked books among the boys.

Buck Jones slightly outranked Dick Powell as the boys' favorite movie actor. (Robert Taylor was third.) Little Shirley Temple and almost equally little Jane Withers tied for first in girls' preference, with Tyrone Power third. Among radio stars, the girls and boys both liked Penner best, and Cantor second best.

SALES MANAGEMENT

IN CASE YOU'VE BEEN MISINFORMED . . .



INDIANAPOLIS IS NOT THE LARGEST MARKET IN AMERICA

In fact, Indianapolis ranks 21st in population, according to Uncle Samuel's census. But with the vast territory that it dominates . . . nearly two-thirds of Indiana . . . it's a market well worth anybody's best selling effort. Metropolitan in size (1,800,000 people), yet the Indianapolis Radius has none of the selling handicaps present in a vast metropolitan population. There is no foreign language problem. There are fewer of the extremes of poverty and wealth. Radius income, derived from widely diversified sources, is unusually stable. Radius residents, influenced by no city other than Indianapolis, think as a unit, buy as a unit. That's why this market is so easy to win and hold. A schedule in The News, dominant evening paper of the Radius, does the job efficiently for a single advertising investment.

THE INDIANAPOLIS NEWS

New York: Dan A. Carroll, 110 E. 42d St. Chicago: J. E. Lutz, 435 N. Michigan Ave.

Sales Management

VOL. XLII. NO. 3

FEBRUARY 1, 1938

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Notes from the Managing Editor's Desk

The Sonotone Corp. viewed the figures on the overhead charges for their Manhattan offices, decided they were tired of riding subways and fighting the city traffic, picked up desks and typewriters and files and moved to the country. To Elmsford, New York, in fact, a suburban town about 25 miles north of the city. Officers and employes alike are happier now, with a pleasanter place to work, healthful country atmosphere, lower expenses all around. A SALES MANAGEMENT reporter will tell the story in the next issue.

* * *

Our fingers, pretty well tuned to the pulse of subscribers after all these years, tell us you will like an article we ordered this week from the man in charge of sales training for one of the big heating and air conditioning companies. It's going to list 35 ways salesmen can conserve their time to manage more productive face-to-face interviews with logical prospects.

* * *

Years ago, when in a blue mood, the editors of SM used to wonder aloud now and then whether "anybody reads this sheet." We no longer need to guess. Reprint orders, inquiries from readers, and roses and eggs to the editor are now at an all-time high. We must have furnished enough reprints of this-and-that last year to paper Grand Central Station. And yesterday we smugly turned over to the circulation department an order for the Survey of Buying Power issue which won't be out, bless us, until April 10!

A. R. HAHN.



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You'll Be Selling In Rhode Island

when you sell

Providence-Rhode Island the **NET PROFIT** Market

VOLUME: A state market of metropolitan scope and convenience: 680,000 consumers, 92% urban, with effective buying power 4th highest of all states, stabilized by diversified industry.

SALES: \$220,000,000, at a per capita rate 18% above the U.S. average . . . through 9,000 retail outlets easily reached, sold and serviced from the Providence wholesale center.

LOW COST: Selling costs lowered by compactness unique among states. Advertising costs minimized by Journal-Bulletin coverage: 3 out of 4 Rhode Island families, the most able to buy.

RESPONSE: Consumers of the metropolitan mass, and the large wealthy class, respond to the same medium. Their dealers know it and buy and sell with its advertising power in mind.

RECOVERY will resume in the Spring, we hear. But come high, come low — when you're selling anywhere, you'll be selling in Rhode Island.

Come high — we'll all be buying, and the Providence-Rhode Island NET PROFIT Market will be a sales manager's pet . . . good, steady volume, at low distribution costs, low advertising costs to kindle consumers and keep the dealers on your side.

Come low — we'll still be buying. For Rhode Islanders are not dependent on one industry. If there's activity anywhere, Rhode Islanders will have a profitable share of it.

And reinforcing current income is a back-log of savings — fourth highest, per capita, of the United States, and shared by about 60% of the entire state population.

Come high, come low . . . big volume, less volume . . . keep the Providence-Rhode Island market and the Journal-Bulletin on your list for aggressive effort. You'll be selling in Rhode Island when you sell.

Providence Journal-Bulletin

Dominating New England's Second Largest Market

REPRESENTATIVES: Chas. H. Eddy Co., Inc. • New York • Chicago • Boston • Atlanta
R. J. Bidwell Company • San Francisco • Los Angeles

HOW INDUSTRY FEELS

This editorial appeared in the November 27th issue of *Business Week* and in the December issues of 21 other McGraw-Hill Publications. A total of 400,000 paid subscribers thus had opportunity to express opinions, not to mention the other readers — the *pass-along readers* — estimated to bring the total up to a million readers.

Congress Needs YOUR Guidance....NOW

An Opportunity for the Million Readers of McGraw-Hill Publications to Help Business Recovery

TODAY, everybody sees that private industry alone can lead the march back to prosperous times. Business leaders, labor leaders, legislative leaders, and now the National Administration, all agree that the leadership must pass from government to private enterprise. As spokesman for the Administration, Secretary Morgenthau has said:

"The basic need today is to foster the full application of the driving force of private capital. We want to see capital go into the productive channels of private industry. We want to see private business expand."

So do we all. Nothing can take the place of expanding business. The business man needs it to meet his expenses and earn a profit. The investor needs it to put his capital to productive use. More than anyone else, the workman needs it for a steady job at regular wages. And the government needs it to get the revenues required to carry on. Everyone needs better business; there is no other way forward. But if business is to resume its leadership, government must revise its policies to make the shift possible.

Everyone who knows anything about federal taxes knows that the present system is not sound; it has been made even less so by some of the experiments of the last few years. However good those experiments may be in theory, their practical result is to frighten business men and investors from taking the risks that are necessary for business revival. As Secretary Morgenthau puts it:

"We realize that our tax laws are too complicated; we want to make them less so. We realize that there are inequalities; we want to eliminate as many of them as we can."

With this encouragement from the Administration, Congress now must get at the job. Many see the need, but it is Congress that must do something about it. What it does will depend on how it interprets the views of the people. *The time has come for the people to tell their Congress what they want.*

At no time since 1929 have business people — employers and employees — had so promising an opportunity to impress their views and their needs on the Washington government. The iron is hot; now is the time to strike!

Specifically, these three needs are urgent:

First—Repeal the undistributed earnings tax. As a producer of revenue it is discredited. Its chief effect has been to obstruct recovery and curtail employment by holding back the normal plant improvements by industry. Such improvements make for higher efficiency, *the only means by which consumers can get more for their money, without loss of income as producers.* Altogether, the undistributed earnings tax obstructs development, destroys employment, and encourages unsound financial practices. It should be repealed.

Second—Repeal or amend the capital gains tax. As it now stands, the investor who sells securities when prices are rising must give the government a large slice of his profit; but when he sells on a falling market he must eat his own losses. That is a one-sided, unfair proposition. It is heads-the-government-wins, tails-you-lose. It discourages the sound investment practice required by stable business. It should be repealed or amended to allow adequate deductions for losses.

Third—Reduce the excessive personal surtaxes. These high taxes were designed to reach for 75 per cent of the rich man's income. Whatever may be said for that objective in theory, it doesn't work in practice. It appears to

**HERE'S THE
McGRAW-HILL EDITORIAL
that brought 25,000 responses from
industry — from coast to coast!**

"soak the rich" but in fact it is a blow in the air. For the rich can escape by hoarding their wealth in tax-exempt securities — municipal and government bonds rather than industrial securities. It is the latter that create productive enterprise, with orders for business and jobs for workers. So the effort to exact excessive taxes from the rich drives funds out of industrial employment and into government bonds; at the same time it dries up the source of the desired taxes. Excessive surtaxes are a good example of losing all by overreaching; they should be amended to encourage enterprise and increase revenues.

The America of today is possessed of the same driving force that created it. All it asks is a chance to resume its progress. In the early days of our national development, government paid huge bounties to encourage private construction of the railroads. Today industry asks no bounties; it asks only a chance to invest in national progress the surplus wealth that it has itself created. It is willing to meet the increased obligations of social progress and to pay its share of the governmental costs, but it asks relief from the shackles of restrictive and confiscatory taxation. It is ready to resume its interrupted march toward restored prosperity if only Congress will loosen the bonds that now confine it. Only Congress can effect that release. It can do so only by revising restrictive taxation. And only the American people can prevail upon Congress to meet that appeal and to meet it **NOW**.

Congress needs **YOUR** guidance. Will you give it **NOW**?



President, McGraw-Hill Publishing Co., Inc.

ABOUT TAX REVISION

98.4% of the Engineers and Executives who responded to the McGraw-Hill poll—the largest poll ever undertaken in American Industry—favored Revision or Repeal of three much-discussed Taxes.

**HERE'S
WHAT HAPPENED...**
it is still happening!

... about 25,000 signed "comment cards" shot back at us and they're *still coming*:

... less than 2% opposed revision of these tax laws. Over 98% said, "Repeal or Amend... Please

so inform my Congressman."

... over 135,000 extra copies of the editorial purchased.

... more than 12,000 asked for the comprehensive analysis of the tax situation, prepared by Business Week.

**HERE'S
THE SCORE CARD...
with totals per point**

98.4%
or
22,111+ voted "YES"

135,000
copies of this
editorial ordered

12,216 asked
for copies of Business
Week's Tax Report

1.6%
or 365+ voted "NO"

* Not including 1,766 who did not indicate vote.

- I agree with the recommendations made in this editorial. Please submit this card with all others you receive from my congressional district to my congressman together with a copy of this editorial.
- Please send me copies of this editorial for distribution among my associates and bill me at 50 cents per 100 copies.
- Please send, without cost to me, a copy of the comprehensive analysis of the tax situation Business Week has prepared.
- I do not agree with the recommendations made in this editorial—in whole or in part.

Name
Company
Title
City and State

If private capital and business initiative are to take a leading role in recovery—then it is the obligation of the business and technical press to study ways and means by which this is possible; to keep business and industry currently informed; to

mobilize opinion and to make that opinion felt and understood by the government, which has the power to obstruct or to encourage business and industrial progress. McGraw-Hill Publications have recognized that obligation.

HERE'S

A LIST OF THE 22
McGRAW-HILL PUBLICATIONS
whose readers' opinions about taxes
we are privileged to present

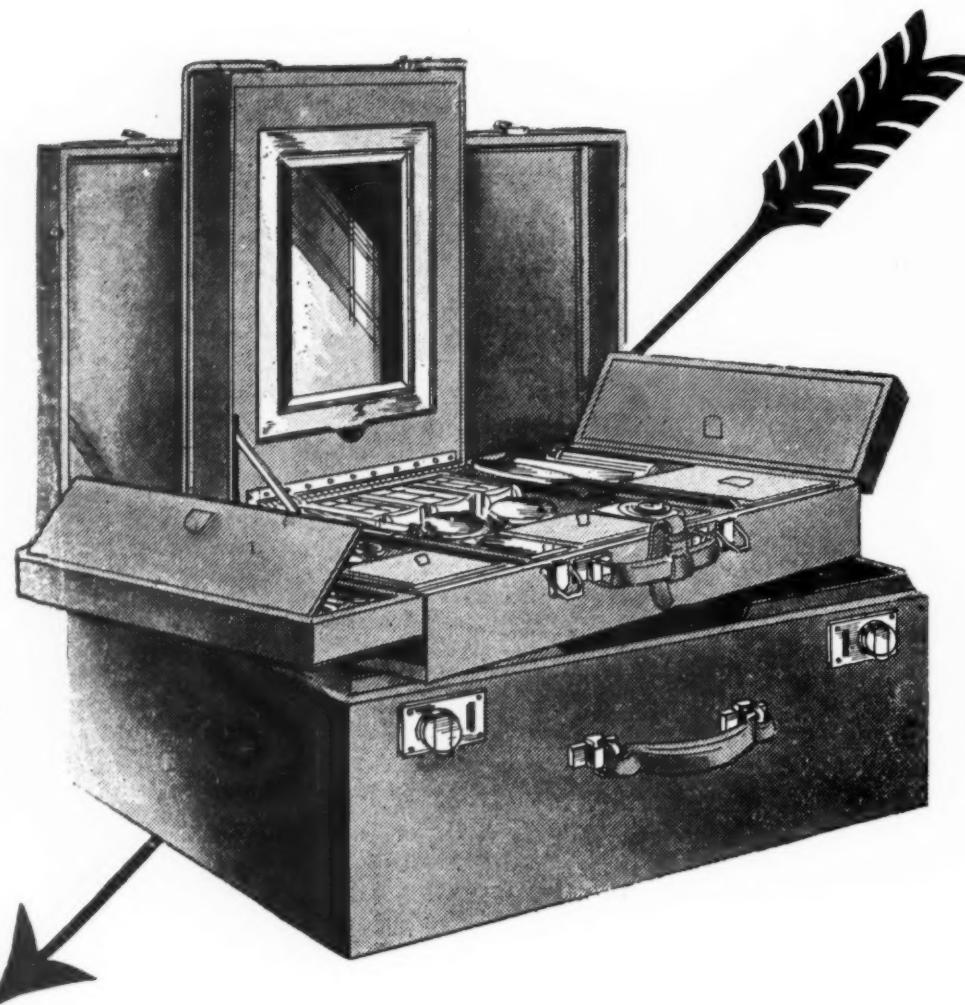
Publication	Percentage agree	Percentage disagree
American Machinist	99.4%	0.6%
Aviation	93.6	6.4
Bus Transportation	97.1	2.9
Business Week	98.7	1.3
Chemical & Metallurgical Engineering	96.3	3.7
Coal Age	100.0	—
Construction Methods & Equipment	94.9	5.1
Electrical Contracting	96.9	3.1
Electrical Merchandising	98.5	1.5
Electrical World	98.2	1.8
Electronics	95.2	4.8
Engineering and Mining Journal	98.9	1.1
Engineering News-Record	96.7	3.3
Factory Management & Maintenance	98.8	1.2
Food Industries	96.1	3.9
Mill Supplies	98.8	1.2
Power	98.9	1.1
Product Engineering	97.8	2.2
Radio Retailing	94.9	5.1
Textile World	99.3	0.7
Transit Journal	100.0	—
Wholesaler's Salesman	97.3	2.7
Miscellaneous	99.4	0.6
Average	98.4	1.6

McGRAW-HILL PUBLICATIONS

McGRAW-HILL PUBLISHING CO., INC., 330 WEST 42nd ST., NEW YORK

FEBRUARY 1, 1938

A \$1500 Suitcase is a...



*A typical *I. MAGNIN & CO. Examiner advertisement featured this exquisite suitcase of grained brown leather with a removable inner case with genuine blond tortoiseshell fittings at \$1,500.*

** IN CALIFORNIA—I. MAGNIN & CO. maintain stores at San Francisco, Oakland, Del Monte, Santa Barbara, Montecito, Los Angeles, Hollywood, Pasadena, Palm Springs and Coronado.*

Los Angeles

EXAMINER

SALES MASTER OF AMERICA'S FOURTH RETAIL MARKET

Represented Nationally by The HEARST INTERNATIONAL
[10] SALES MANAGEMENT

Tidy Bit of Baggage!

IT takes a market with plenty of money—*spending money*—to assimilate little trinkets like a \$1,500 suitcase!

Conversely, it requires media with the entree and coverage of such markets to produce profitable advertising returns on items in the obviously luxury class!

For years I. Magnin & Co., who operate a total of 13 exclusive stores in Northern and Southern California, have consistently advertised such quality merchandise in both the San Francisco and Los Angeles Examiners!

Says Dorothy Frank, Advertising Manager of I. Magnin & Co.: "We are great believers in the highest quality merchandise and in the highest quality advertising."

The TWO EXAMINERS IN CALIFORNIA produce profitable sales volume in EVERY price range. I. Magnin & Co. recognize that fact in offering luggage from \$1,500 down to \$34.50. Whatever you have to sell in the Golden State, the TWO EXAMINERS are the Golden Gate!

San Francisco

EXAMINER

"BUY-WORD" OF NORTHERN CALIFORNIA

ADVERTISING SERVICE, Rodney E. Boone, General Manager

FEBRUARY 1, 1938

[11]

Sales Management's Future Sales Ratings

KEY TO RELATIVE SALES OUTLOOK RATING

- ★★★★★ Best Relative Outlook
- ★★★★ Very Good Relative Outlook
- ★★★ Good (Medium) Relative Outlook
- ★★ Fair Relative Outlook
- ★ Least Impressive Relative Outlook

NOTE: This compilation is based on the relative position of one industry compared with all industries. In other words, an industry marked ★★ may show noteworthy resistance to general sales declines, but its comparative showing may be far less favorable than that of another industry marked ★★★★★.

	Sales Prospect for Feb., Mar. & Apr.	Sales Prospect for Next 12 Months		Sales Prospect for Feb., Mar. & Apr.	Sales Prospect for Next 12 Months
Advertising	★★	★★★★★	Lawyer's Income	★★★	★★
Air Conditioning	★★★★★	★★★★★	Liquor (Alcoholic Beverages)	★★★	★★
Aircraft (Sales of Airplanes)	★★★★★	★★★★★	Luggage	★	★★★★★
Aircraft (Passenger Travel)	★★★	★★★★	Machine Tools	★★	★★★★★
Autos (New Car Sales)	★	★★★	Machinery (Agr'l)	★★★★★	★★★
Auto Tires	★★★	★★★	Machinery (Ind'l)	★★	★★★★★
Baked Goods (Bread)	★★★★★	★	Meats	★★★	★★
Baked Goods (Specialty)	★★★★★	★★★	Metal Containers	★★★★★	★★
Banks (Revenues)	★★★★★	★★★	Motion Picture		
Beer	★★	★★	Receipts	★★★	★★★★★
Building Materials	★	★★★★★	Musical Instruments	★	★★★★★
Candy & Chewing Gum	★★★★★	★	Office Equipment	★★	★★★★★
Canned Fruits and Vegetables	★★★★★	★★★	Oil (Cooking)	★★★★★	★
Cereals	★★★★★	★	Paint	★	★★★★★
Chemicals (Misc.)	★★★	★★★★★	Paper (Newsprint)	★★	★★★★★
Cigarettes	★★★★★	★★	Paper (Wrapping and Container)	★★★	★★★★★
Cigars	★★★	★	Photographic Supplies	★	★★★★★
Clothing (Men's, Women's, Children's)	★★	★★★	Physicians' and Dentists' Income	★★	★★
Coal (Anthracite)	★★★★★	★★	Plastics	★★★★★	★★★★★
Coal (Bituminous)	★	★★★★★	Printing and Publishing Equipment	★★	★★★★★
Cosmetics	★★★	★★	Radios	★★	★★
Cotton Textiles	★★★★★	★	Railroad Equipment	★	★★★★★
Dairy Products	★★★★★	★	Railroad (Net Income)	★	★★★★★
Department Stores	★★★	★★★	Rayon Textiles	★★★★★	★★★
Diesel Engines	★★★	★★★★★	Real Estate Rentals	★	★★★
Drugs and Medicines	★★★	★	Refrigerators	★★	★★
Electrical Equipment (Heavy)	★★★	★★★★★	Restaurants	★★★	★★
Electrical Equipment (Light)	★★★	★★★	Rural Stores	★★★★★	★★★
Exports	★★★★★	★★★★★	Shipbuilding	★★★★★	★★★★★
Flour	★★★★★	★	Shoes	★★★	★★
Furs	★	★★★★★	Silk Textiles	★★	★★
Gasoline and Oil	★★★★★	★★★★★	Soap	★★★★★	★
Glass and Materials	★★★	★★★	Soft Drinks	★★★	★★★★★
Groceries	★★★★★	★	Sporting Goods	★★★★★	★★★★★
Hardware	★★	★★★★★	Stationery (Commer'l)	★★★	★★★★★
Hotels	★★	★★★	Steel and Iron	★	★★★★★
House Furnishings (Floor Coverings, Furniture, Beds, etc.)	★★	★★★★★	Sugar	★★★★★	★
Household Products (Kitchenware, and Miscellaneous)	★★★★★	★★★	Toothpaste and Mouth Washes	★★★★★	★
Imports	★★★★★	★★★★★	Toys and Games	★★★★★	★★★
Insurance (Misc.)	★★	★★★	Trailers (Autos)	★	★
Jewelry	★	★★★★★	Travel (Sea)	★	★★★★★
Laundry	★★★	★★★	Trucks	★	★★★★★
			Utilities—Electric	★★★★★	★★★
			Utilities—Gas	★★★★★	★
			Utilities—Telegraph	★★	★
			Utilities—Telephone	★★	★★★★★
			Washing Machines	★	★★★★★

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Promotional Ability Helps Clear Inventory Decks for Revival

Getting to the heart of the business question mark, the standing on inventories, SALES MANAGEMENT's monthly survey in connection with its Future Sales Ratings finds general inventories in consumer and heavy goods lines still exceptionally large. While inventories have been cut down considerably since the first of the year, they are considered to be well over the totals at the end of 1936. In this regard it is to be recalled that many corporations had larger inventories at the end of 1936 than at the end of 1929. Figures compiled by Colonel Ayres, of the Cleveland Trust Co., show that inventories of 51 large corporations were \$415,000,000 at the end of 1929, \$465,000,000 in 1936 and \$549,000,000 in 1937.

The act of eating away this weighty obstacle to a favorable turn in the fundamental business tide is basically a matter of purchasing power, of course, but the current recession, more so than the majority of those in the past, is to a substantial degree psychological and it is here that human promotional ability and advertising brains come into their own. The family grip on the almighty dollar tends to tighten with business adversity, but it hardly ever fails to be loosened by clever sales approach.

Selling to the Fore

Not the least pleasant reflection on the current business recession is that there is little doubt that it will not be prolonged and that the mountain of inventories for the most part should meet declining resistance of buyers as the year progresses, subject to perhaps a minor intermediate reaction. The present depression should reach its bottom (if it is not already past its low) between now and Labor Day. Recovery will be led by consumers' goods industries, but later will be shoved ahead by heavy goods betterment stimulated partly by revival of extensive Government spending.

Intelligent and well-guided sales campaigns to clean house for this anticipated revival should place a premium on the services of advertising and selling talent which will play an important role in this fundamental work. In this connection, SM's Future Sales Ratings representing a broad cross-section of opinions of more than 40 authorities is designed clearly to define sales targets and eliminate waste motion.

Those were the good old days

ONCE, say twenty-five years ago, life was simple for the advertiser.

Only 18 million copies per issue — of all magazines — were circulated in all the length and breadth of this fair land. And only one of them enjoyed as much circulation as 2 million.

But time just wouldn't stand still.

Radio grew out of its screeching static stage. Talking pictures were perfected. Candid camera magazines were born. And people grew print-hungrier too, for magazine circulations climbed from that earlier 18 million copies to 79 million today!

So it's a different story now. If you want your sales-message to make a dent in all this clamor you've got to put plenty of muzzle-velocity

behind it. You've got to put it on the target where the buying is done.

That's simply saying, put it in The American Weekly — the strongest voice outstanding in the modern babel. Big . . . powerful . . . able to command attention against all the new competition.

Smart advertisers know this. Ford Motor Company, Standard Brands, H. J. Heinz Company and hundreds of other Social Registerites of American Business recognize the power of The American Weekly — today's kingpin of magazines.

Every Board of Directors responsible for appropriating advertising funds should take a realistic look at the market it offers, the richest in the world!

Circulation now

7,000,000

THE AMERICAN A WEEKLY

"The National Magazine with Local Influence"

Main Office: 959 Eighth Avenue, New York City

Branch Offices

PALMOLIVE BLDG., CHICAGO . . . 5 WINTHROP SQUARE, BOSTON
HANNA BLDG., CLEVELAND . . . EDISON BLDG., LOS ANGELES
HEARST BLDG., SAN FRANCISCO . . . ARCADE BLDG., ST. LOUIS
GENERAL MOTORS BLDG., DETROIT . . . 101 MARIETTA ST., ATLANTA

WIDE-AWAKE
SALES MANAGERS
HAVE LEARNED THAT
"GOODS MOVE OUT
WHEN THE WEEKLY
MOVES IN!"

**Here's where the 7,000,000 copies circulate—
Coverage you can buy with no other magazine**

There are 995 cities in the United States of 10,000 population and over. In 699 of these 995 cities The American Weekly goes into the homes of:

20 to 30% of all the families in 164 cities
30 to 40% of all the families in 133 cities
40 to 50% of all the families in 155 cities
Over 50% of all the families in 247 cities

In these 699 cities you find 10,662,804 families — and 45.71% of these families receive The American Weekly. In addition, 2,300,000 other families throughout the country regularly receive The American Weekly.

These 7,000,000 families—readers of The American Weekly — spend approximately \$8,750,000,000 a year in retail purchases.

..IN THE SOUTH.. 1st
..IN THE NATION.. 4th

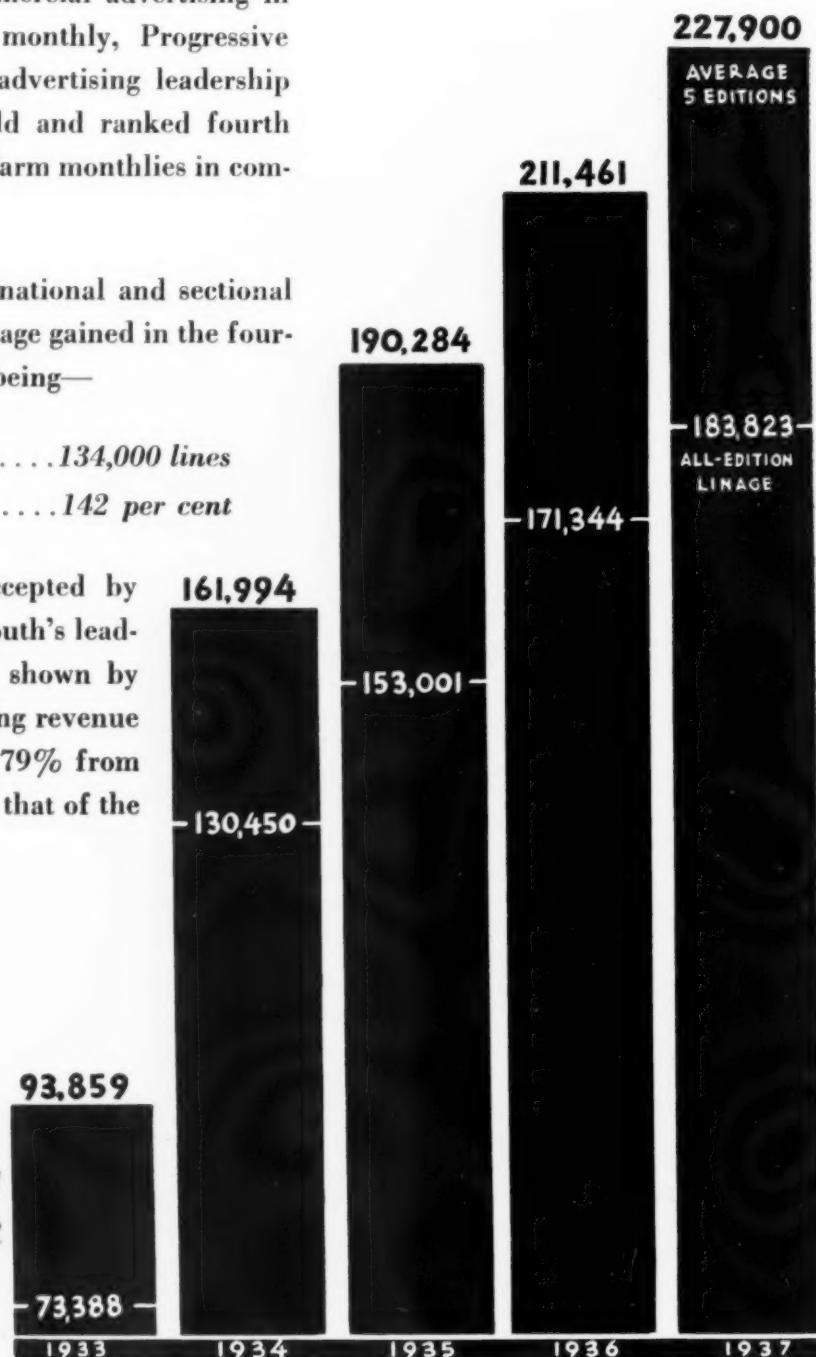
With the largest volume of commercial advertising in 1937 it has ever carried as a monthly, Progressive Farmer continued its long-time advertising leadership of the Southern farm paper field and ranked fourth among all national and sectional farm monthlies in commercial lineage carried in 1937.

And Progressive Farmer led all national and sectional farm monthlies in commercial lineage gained in the four-year period of 1934-37, its gain being—

In Volume 134,000 lines
In Percentage 142 per cent

That Progressive Farmer is accepted by advertisers and agencies as the South's leading farm-and-home magazine is shown by the fact that in 1937 its advertising revenue of more than a million dollars (79% from all-edition advertising) exceeded that of the second paper by 62%.

**IN THE RURAL SOUTH
IT'S PROGRESSIVE FARMER**



Progressive Farmer
and Southern Ruralist

BIRMINGHAM

RALEIGH

MEMPHIS

DALLAS

250 Park Avenue, NEW YORK

Daily News Bldg., CHICAGO

Significant Trends

As seen by the Editors of SALES MANAGEMENT for the fortnight ending February 1, 1938:

Violent Rebound?

can't be happy unless we have something to worry about, there's a worry we can really bite into and chaw!

• • • Mr. Biggers seems a bit more optimistic than the heads of the 40 largest manufacturing concerns who were queried by Colby M. Chester, chairman of General Foods Corp. and chairman of the National Manufacturers Association. Of all 40 corporations, very few expect conditions to get worse. Two-thirds of them expect improvement before the end of the year and opinion was equally divided as to whether recovery would come in the first or the latter half. The companies reported a decrease in jobs of 11% from November to January.

• • • Concrete suggestions for dealing with the sales slump were offered by sales managers at a symposium meeting held by the Sales Executives Club of New York last week. Harry Simmons, of the Heinn Co., said that it was up to sales managers to give their men more down-to-earth facts about the potential business in each man's territory; R. D. Keim, of E. R. Squibb & Sons, warned salesmen against discussing business conditions, controversial questions, and urged them to put on an optimistic front and emphasize the profit in dollars and cents, not percentages, to be made on their products; Frank Lovejoy, of the Socony-Vacuum Co., declared the depression was a figment of business men's imaginations and that the vital need is to show salesmen how to teach dealers to sell their goods and to build buyers. Frederick B. Heitkamp urged sales managers to give their men a sense of security, to cut out useless demands on their time, provide them with ideas to get orders and show them that sales managers work as hard as they do.

• • • Stephen Leacock, who is equally well-known as a humorist and as an economist, had a worthwhile article in the January 10 issue of *Barron's*, in which he argues that the whole world is headed for an upward heave of prosperity. He goes so far as to say, "I am willing to prophesy that the year 1938 will be the happiest year that the World's Annals have recorded for a long time. Mind, I don't say that there won't be a revolution or two in South America—there always is, and they don't even close the moving picture houses for them . . . And very likely there'll be a volcanic eruption in Fiji or in the Marquesas Islands that will destroy 1,000 natives—poor fellows, poor lads—but the scientists will explain it completely, so it will be all right. I don't count things like that."

• • • The Brookmire Corp. has issued a special report called "Why Renewed Progress of the Business Cycle Should Follow the 1937 Interruption." After reviewing what they consider the good and the bad features of the present situation they reach the conclusion that we are headed for "one of the most prosperous eras in Ameri-

can history." They cite lack of confidence as the chief cause of the slump in the latter part of 1937 and then go on to say: "Influences responsible for the lack of confidence last year were varied and numerous. Today, improvement in these influences definitely is visible for 1938. This is particularly true of the part that the government will probably take in aiding the restoration of confidence. Thus, every encouragement is nurturing the third vital factor to prosperity—confidence.

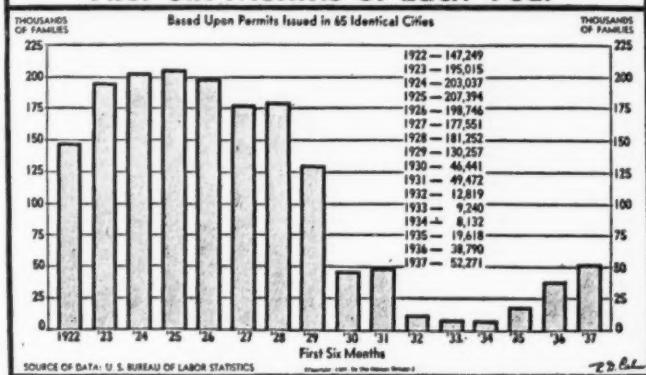
• • • "But," continues the Brookmire Survey, "what if confidence misses its cue and recession continues to dominate the stage of business? Then," they warn, "watch the budget, because the probability would be for credit inflation. Therefore, the outlook for 1938 narrows down to Recovery, natural or forced."

• • • Farm equipment sales last year approximated \$530,000,000 as against \$458,000,000 in 1929 and the previous all-time top of \$471,000,000 in 1920.

• • • Fred Bohen, president of the Meredith Publishing Co., points out that no one knows the farm market better than the sales and advertising executives who keep the wheels turning in the farm implement and equipment industries. "What these sales executives know is reflected by what they are doing to cash in on the farm market. During November and December of 1937 and January of 1938 they have increased their advertising in general farm magazines by more than 29% over the same period of last year . . . The farm dollar is not earmarked for any one industry. If farmers can be influenced to spend from \$200 to \$1,000 for a piece of farm equipment there is every reason why they can be influenced to spend for household and family requirements. The farmer has both feet set firmly on the ground. His house is in order . . . he is employed . . . he has money in the bag . . . his outlook is favorable . . . he is buying . . . he is a dependable customer . . . what more could an advertiser want?"

• • • Bror Dahlberg made a spirited reply the other day to banking interests who opposed the proposed acquisi-

Number of Families Provided For in All Classes of New Dwellings in the First Six Months of Each Year



Courtesy Chicago Tribune

tion by his company of a substantial stock interest in Certain-teed Products Corp.: "I cannot concur in your implied suggestion that, because the business outlook is disturbed by uncertainty, we, as business men, must put into cold storage plans for expansion in which we have every reason to have confidence. *This is no time for business men to run to the storm cellars. A hundred and thirty million Americans are not going to disappear as consumers. They have vast human needs.* Some of these needs fall in the field served by Celotex and the enlarged program proposed for it. It is not good judgment to sell America short. I do not intend to take to the storm cellar. I intend to continue to develop and submit to stockholders or directors as may be appropriate, from time to time, as I have in this instance, dependable business plans to handle Celotex operations so as to bring increased benefits to Celotex stockholders and improved employment opportunity for its workers."

Retail Trade Better

Both the Department of Commerce weekly business survey and Dun & Bradstreet's trade review agree that trade is on the mend in the majority of reporting cities. In the northern states cold weather and heavy snows induced much buying of wearing apparel, sports goods and equipment and in all sections merchants cut their inventories drastically by stock-reducing sales. The January 23 report of the Department of Commerce states that Boston merchants boosted their sales 15% over the same week in 1937. The volume in New York was up about 6%, according to parcel deliveries, Philadelphia up 9%, St. Louis 5, New Orleans 8, Pittsburgh 5—and there was moderate expansion in Minneapolis, Kansas City, Baltimore, Memphis, Dallas and Detroit.

• • • The final revised department store figures of the Federal Reserve Board show total sales in December 2% less than in the corresponding month a year ago, reflecting a small decrease in all regions except the South, where sales improved 5% in Dallas and 4% in Atlanta.

• • • Automobile manufacturers closed the year

New England is the scene of a tough battle between First National Stores and the A & P. The latter has been opening a number of self-service stores in sections where rents are lower and frequently the opening of larger self-service stores has meant the closing of two or three smaller stores. First National has thus far continued to operate the usual type of grocery store and meat market and labor unions have shown their appreciation by distributing hand-bills on the counters of First National Stores urging women to "patronize the stores that maintain a full quota of competent well-paid employees"—meaning, presumably, First National and not A & P.

Women Force Men To Join Bread Line

During the past year many huge Self-Service Stores have been opened.

These Stores are a Menace to you and to your Community.

They put men out of work because you do the work "Free of Charge."

Approximately 30,000 persons are employed in Eastern Massachusetts handling Foodstuffs.

These Self-Service Stores are closing the small stores in your Neighborhood, throwing men out of work.

If these Self-Service Stores are patronized and condoned, 50% or 60% more men will join the unemployed.

This will affect you personally, no matter in which type of business you or your family are interested.

These 15,000 men will be thrown out of employment by you and your neighbors and friends who patronize this type of store.

Example— 200 Men Cannot Buy Their Goods. 200 Men Cannot Buy Gasoline. 200 Men Cannot Buy Butter. 200 Men Cannot Buy Shoes. 200 Men Cannot Buy Drugs for Families. 200 Men Cannot Support their Families without turning to Local Welfare Boards.

Welfare Boards are supported by your Taxes.

If the various businessmen lose the patronage of these 200 men, you can see what an effect it will have on you.

Patronize the Stores that maintain a full Quota of Competent, Well-paid Employees, who are always ready to give cheerful Service.

with total factory sales of 5,002,188 cars and trucks, *the second best year in the industry's experience.*

• • • President Barit and Advertising Manager James of the Hudson Motor Car Co. have worked out a plan for removing any stigma which may now attach to the used car—by advertising it with the lavish care in text and illustration now accorded to new automobiles and describing it with exactness and in detail, and then publishing lists of all buyers of automobiles in a given city weekly, without distinction as to whether the vehicles purchased were new or used. They feel that this procedure would awaken the public to the values now obtained in the used car market.

• • • The makers of electric refrigerators had their best year in history in 1937 with more than 2,300,000 household units sold. Their greatest sales increases were in Connecticut, New Jersey, Pennsylvania, District of Columbia, Ohio, Michigan, Utah, Nevada and California.

• • • According to F. W. Dodge Corp. figures, total building construction for the first 11 months of 1937 came to \$1,900,000,000, or \$300,000,000 above 1936 . . . They make no advance estimate of what the 1938 total is likely to be, but point out that the estimates of the total construction costs of New York's World's Fair, when completed, will run as high as \$150,000,000.

Diamond Jim Brady, one of the most successful salesmen in the history of the United States, always operated on the formula of spending money to

make money, and his firm, Manning, Maxwell & Moore, has used that system to lick depressions ever since. Last week President R. R. Wason, who is also president of Zonite Products Corp., expanded his sales force by 25%. In 1932 he applied that policy when he bought the Box, Crane & Hoist Corp. and the method boosted its share of the hoist business from 2.2% to 15% within five years. Sales Manager William P. Bradbury, of MM&M predicted that 1938 would be his company's biggest year. "In periods of retarded buying we have found that more calls must be made in order to maintain the same sales volume. We share completely Mr. Brady's boundless assurance of the prosperous future of this country."

• • • Swindle sheets will carry a less heavy burden if Patman's Commercial Bribery measure passes both houses of Congress. "It shall be unlawful . . . to give or offer to give (or to solicit, accept, receive or take directly or indirectly) any commission, money, property or other valuable thing as an inducement, bribe or reward . . ." See page 65, this issue, for further comment on this measure and Patman's "death sentence" to chain stores.

• • • The Federal Trade Commission received new powers in regulating advertising through the passage of S1077, the Lea Bill, which passed the Senate last year. The bill broadens FTC powers over unfair methods of competition by extending its jurisdiction to cover unfair or deceptive acts or practices in commerce. It also gives the Commission more effective control over the advertising of food, drugs, devices and cosmetics, gives it jurisdiction over unfair acts and practices for consumer protection, and prohibits dissemination of any false advertisement, through the mails or in commerce.



1. Ranger: Charles H. MacMahon is appointed national s.m. for the range department of Norge division, Borg-Warner Corp., Detroit. He was formerly divisional s.m. of another B-W division.

2. Cooler: Paul H. Puffer steps into the job of domestic refrigeration s.m. of Norge, a post vacated by R. E. Densmore, who is promoted to general field s.m. Mr. Puffer has an exceptional record in the industry as Norge district manager in Chicago.

3. Third Generation: Joseph E. Frowde Seagram, elected president of Joseph E. Seagram & Sons, Ltd., succeeds his father and grandfather as head of the Canadian distillery founded 80 years ago. He is 34 years old, has been in the liquor industry all his business life.

4. Weigher: G. R. Bennett has been elected executive vice-president and general manager of Toledo Scale Co., Toledo, Ohio. In 1926 he joined the company's home office sales department, the sales promotion and advertising division. In 1929 he became assistant to President H. D. Bennett. By 1931 he was placed in charge of manufacturing and engineering.

MEN

IN THE MARKETING

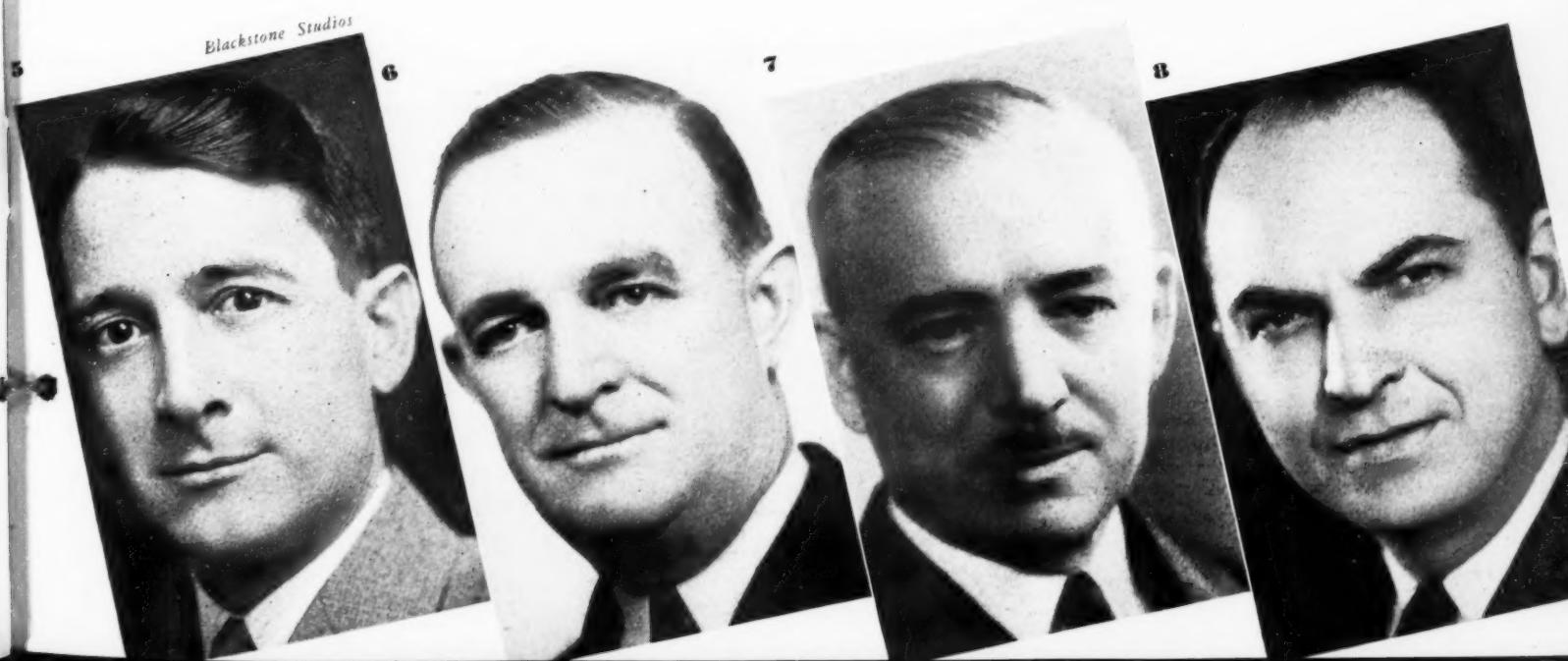
NEWS

5. Olds-ster: R. L. Myers, for the past four years manager of Oldsmobile's Atlantic sales division, has been given charge of the entire eastern half of the United States as assistant general s.m. He has had 23 years' experience with General Motors' various branches. He will transfer his headquarters from N. Y. to Lansing, Mich.

6. Pitcher: N. E. Tarble is appointed gen. s.m. of James Barelay Co., subsidiary of Hiram Walker-Goodeham & Worts, Ltd., distillers. A native of Illinois, and a graduate of Swarthmore College, he is well remembered as an inter-collegiate baseball pitcher. He was one of the organizers of the Snap-On Tool Co., Kenosha, Wis., and in 1920 was its v.p. and gen. s.m. In 1935 he joined G & W as assistant gen. s.m.

7. Federalist: R. W. Rudder succeeds M. L. Pulcher, retiring from business, as president of Federal Motor Truck Co., Detroit. With the firm for 24 years, Mr. Rudder has been v.p. and gen. mgr. for the past ten years.

8. Registers: M. A. Spayd steps into the newly created post of gen. mgr. of Standard Register Co., Dayton, Ohio. He was in charge of Standard's sales planning, before that with Frigidaire. Now he directs both sales and manufacturing.



Retrieving the Lost Hours in the Salesman's Work Day



BY
RAY J. COMYNNS*
*Manager, Chain Store Division,
E. R. Squibb & Sons*

ONE aspect of selling is the bane of every good salesman's existence, and the better the salesman the greater the bane: His paper work; the making of reports, and writing of orders. The selling type of mind expends more mental, nervous and physical energy on this to achieve a result than he does on any part of his field work. Beware of the field man who likes his paper work. He is apt to dislike his field work and therefore to be an indifferent salesman.

Not always, but frequently enough to warrant making this a checking point. And for that reason, that sales manager is wise who reduces this paper work, so far as his salesman is concerned, to an absolutely necessary minimum, transferring as much as is possible to the clerical force in his office.

But a certain amount of it is unavoidable and always will be; notably, the daily report. Inasmuch as the making of the daily report by the salesman is unavoidable, let's see if we cannot make it helpful to the salesman in increasing his volume and persuade him to regard it in that light rather than

*Readers are referred to Mr. Comyns' article in the October 10 issue of SM, "Specialty Sales Tactics for the Salesman Who Sells Staples," for other valuable ideas on the development of effective salesmanship.

as an irksome task insisted upon by the home office.

In that event, there is just one time when that report should be made out: At the close of the day's field activities, while he is still lathered from his exertions and while events in detail are still fresh in his mind, before he surrounds his evening meal, or even takes time to look over the evening paper.

Making out the report at this time, he can be encouraged to use it as an organized detailed review of his day's work. He can spot where he fell down and why, either in getting an order at all or in making it large enough; and he may there and then plan a method of procedure which will avoid that mistake occurring again. He will see clearly where he let the customer run away with the sales interview and shut it off before he had an opportunity to do as much as he should.

He will see where he muffed an opportunity to spread the line in a particular store; to get a display on the counter or in the window; to instruct the sales personnel of the store in the more effective over-the-counter sale of his merchandise. We are all adept in thinking afterward of the things we might have said or might have done. Fine! Let's do things that way the next time.

Working Plan for a Day

And he will discover points of strength, too, of course; places where he did an effective or even brilliant selling job and, recognizing just why and how, a new and effective selling tool is added to his equipment. If he has "high-spotted," routed himself inefficiently to hit the soft spots, he will be reminded of that also—if you, Mr. Sales Manager, tell him what to look for.

With the daily report out of the way and the day's work reviewed, there is just one other task to be done—right then and still before he gets at that evening meal—plan the next day's work.

In planning the next day's work, let him route himself as much in a straight line as possible. There may be a good reason for his passing some dealer on his route. But encourage him to guard against hitting the soft

spots and neglecting those dealers who, though their purchases today may be small and selling them rather tough, have potentials which make them worthy of cultivation and development.

Let us say that normally the salesman can plan on making ten effective calls in his field day. All right, let him lay out 20 or preferably 25 for his next day's work. Then, no matter how the breaks come, no matter how many of his prospects are out, too busy to see him, or suggest his coming back at another time, he still has a plan to carry him through the day. He never has to wonder for one single minute where he goes next. He never has to wander out of a store, stand, look up and down the street, possibly shuffle a deck of cards, and revamp his whole day's plan on the spur of the moment.

Procrastination Is Fatal

Any man who has ever sold will realize that there seem to be two sides to the human mind, a planning side and an executing side. A man plans best when he is planning exclusively. He executes best when he is working on a preconceived, soundly laid out plan which carries him through the day without his having to think about it.

You have been out with one of your salesmen on more than one occasion when, upon coming out from one call, he has said, "Let's see, where will we go now? Oh, yeah, let's go down and see Brown, he's only a few blocks down here." Tear his skin off and get him to mend his ways. You know that he cannot do his best work on a spur-of-the-moment decision of that kind. He probably has some kind of a plan for that call, but it is hazily conceived and not well thought out.

Certainly there is a lot of work laid out here for the salesman to do between the time he leaves the field and puts on the feedbag, I hear you say. Well, there is. But it has got to be done anyhow at some time. If he decides to relax, read the evening paper, have his dinner and get at his report afterward, he approaches it with his blood in his stomach digesting his food instead of in his brain helping him think. He then looks upon it as a chore to be done and gotten rid of

Keep each man's report routine as simple as possible, but encourage him to do two things regularly: Make a daily analysis of the effectiveness of his calls, and lay out in advance the tasks for the next day's work.

in the shortest possible time and with the least amount of attention. Too, just about the time he is going to plan his next day's work, some friends come in to play bridge, or if he is on the road, a brother salesman suggests a movie. He decides to lay out the next day's plan before he gets to bed. But come 11 or 12 o'clock he is tired, cold on the day's work and decides to get up a half hour earlier in the morning and get organized.

It is amazing how a salesman—and you and I—after years of experience in resolving to get up a half hour earlier in the morning and repeatedly failing to do it, will blithely approach tomorrow morning with no conception that it will be at all difficult to make good on the resolve.

He gets up the next morning at the usual time. Eats his breakfast in a state of nervous haste that bodes no good for his digestion; hurriedly throws together the semblance of a plan; gets nervous as time flies by and he realizes that he should be hitting his first customer. He sallies forth in a disorganized frame of mind, deciding to "make it up as he goes along." An inefficient, ineffective day has started. At 11 o'clock in the morning, he will be sitting in his car gazing into space, wondering what to do next and struggling to "save the day" despite lack of careful, night-before planning.

"Planned," Not "Routine"

A salesman calling on retail dealers has a certain geographical territory containing a certain number of accounts. He covers that territory once each week, each month or each 60 days, depending upon the requirements of the particular business, the extent and nature of the territory—compact cities or scattered country territory—the importance of the accounts, and the intensity of coverage and sales cost justified by their volume potentials. Naturally, he has worked out for himself, or has had worked out for him by his house, a standard routing specifying the towns to be made and the accounts to be called upon each day of the week, month or two months required to cover the territory.

Before dinner tonight—not tomorrow morning—is the time for the salesman to plan tomorrow's work. Otherwise nervousness, disorganization, defeat soon overwhelm him. "At 11 o'clock in the morning he will be sitting gazing into space, wondering what to do next to 'save the day.'" But the day is lost.

The salesman cannot always adhere rigidly to his routing and schedule. Many things may happen to slow him down or speed him up; or to throw him off his standard route for a time. But it is an ideal to be lived up to. There should certainly at all times be an adequate reason for deviation from it.

What is more natural than for the salesman to call upon a given dealer simply because it is his day for calling upon that customer? He is going in to see if there is an order to be picked up; or to pick up one which he knows is there. Frequently he has no pre-conceived notion of what he is going to do with that particular customer on that particular call. Seldom does he have a definitely formulated plan for making certain things happen. How could he have? he will ask you. He sees his trade so frequently; conditions change so little between calls. And the customer is an old friend. They know and understand each other. The customer is reasonably disposed to do what he can at all times for the salesman and his line.

Oh yes, the salesman is going to sell him all he can, step-up dozens to three dozens, six dozens to grosses and all that. If he has a new product in the line, he is going to talk to the dealer about it, naturally. He is going to book the dealer for that new window



Kaufmann-Fabry

display. Aside from all that, what do you mean, preconceived plan?

Rather a difficult question to answer, too. The salesman seems to know what it is all about. Until you put your finger on the real trouble. It's the attitude. Entirely too casual. He is going to let the dealer, for the most part, direct the interview.

Fundamental principle: A dealer salesman should never call upon a dealer—no matter how well he knows him or how frequently he sees him merely for the sake of calling on him, and simply because it is his day to call. Every single call should have behind it a carefully laid plan. The salesman should have very definitely in mind—as a result of night-before planning of the day's work—just what he is going to endeavor to accomplish with that particular customer on that particular call.

The salesman handling a varied line, or even one handling a few items, has a great many things which must be put over—ideas as well as products to be sold—to the dealer. He cannot expect to accomplish all of these objectives at any one time, on any single call. To attempt to do so would be an all-day job which would leave the dealer confused, exhausted—and disgusted. Consequently, if he is to show continued progress with the account, he must break them up and put them over one

after another in a continuous campaign.

For example, here is a dealer who carries a considerable part of the salesman's entire line. In the case of a varied line, the instances where every single product is carried in an individual dealer's stock are reasonably rare. There are three products in the line which this particular dealer does not handle. The salesman plans that before giving the dealer an opportunity to consult his want book or check his shelves or storeroom and begin to give him an order, he is going to produce samples of these particular three products, one after another, put over a selling talk, arrange for a counter display and so get them in stock and moving, and hence repeating.

All right. Let's say he does that, puts over one and falls down on the other two—or even that he falls down on all three. Time enough then to check stock and get the regular order that he knows he will get anyhow, his particular problem being to increase the quantity to the amount that he knows the dealer can sell and to give him sufficient for merchandising and display rather than a shelf or storeroom stock merely to satisfy demand. He has that order now and has the dealer in a buying mood.

This Is Real Selling

At that stage he says, "Charlie, I'm going to add to this order two dozen of each of those three products we were talking about. I know you can sell them and make extra volume and profit for your store by doing so. Put them up on display when they come in."

The chances are that Charlie—the ideas presented by the salesman having had an opportunity to sink in and the amount seeming inconsiderable in addition to the order he has given—says: "Okay." On every call the salesman must have an eye out for opportunities to add items in his line to the dealer's stock in this way.

Here is another dealer with whom he has certain products stocked, but they are back-shelved, supplied principally on demand, and therefore move slowly. On this particular call, the salesman has developed an idea for merchandising, window and counter display which he is going to sell to the dealer; and after having sold it he is going to go to the back room, get out the goods, and set up a display.

Here is still another case where his goods are not moving across the dealer's counter as they should because the store personnel is not as well informed on selling points as they might

be, and not as aggressive in attempting additional and suggestion sales as they should be. On this particular trip the salesman plans to get some of the boys together for a few minutes and put those things over with them, letting the proprietor, if he is in on the session, hear him encouraging extra sales which increase the average sale and ring the cash register.

Or consider another call on his route where, on this particular occasion, he is going to arrange for a ten-day drive on his line running through two Saturdays. After selling this idea to the dealer, he is going to arrange for a short after-hours meeting with the entire store organization at which he is going to refresh their minds on the selling points of the products, and inspire the personnel to get them some plus volume for the store during the ten-day drive by selling his particular merchandise.

Here is a salesman selling electrical

appliances to dealers, who is, on this particular occasion, going to sell them on the idea of building a mailing list, using some of the literature supplied by the company for mailing and follow-up with out-of-the-store solicitations to uncover likely prospects.

Oh sure, every salesman on the force has all of these things in mind in a general way, and the stars of the organization work in this particular manner. Your job, Mr. Sales Manager, is to get the *average*, rank and file man working as do the leaders in your organization. There is probably not much you can do to increase the efficiency of your outstanding men. Hence, your hope of increased volume and more intensive coverage and distribution lies in bringing your weakest men up to average, and your average man to something above average—to get them all following in the leaders' footsteps. That is leadership, inspiring leadership, in sales management.

Advertising Campaigns

[Old and New Products as Promoted in Newspapers, Magazines, Radio, Trade Journals and Billboards]

Drowsy Mouth

E. R. Squibb & Sons clangs an alarm bell to wake up drowsy mouths caused by acids in the same. "Largest appropriation in behalf of dentifrices in the company's history" is the way agents Geyer, Cornell & Newell, N. Y., describe it.

Pages in these magazines are to run for the next six months: *S. E. P.*, *Collier's*, *Life*, *Time*, *Good Housekeeping*, *American Magazine*, *Cosopolitan*, *Redbook*, and *Parents*. The approximately 17,000,000 magazine circulation is matched by "dominating space" in *The American Weekly*, *This Week* and supplementary newspapers not reached by *TAW* and *TW*.

"Fight acid when you brush your teeth" is the slogan played up in headlines, "for acids are present wherever food particles ferment. . . . Also such fermentation may cause a disagreeable taste and mar the freshness of the breath," copy continues. "That is why a principal ingredient of Squibb dental cream is a pure, safe, and reliable antacid."

Dealer tie-up material, counter displays, etc., are included.

Candid with a Kick

Skelly Oil Co., Kansas City, is opening the eyes of its filling station attendants with a 35-minute film along unconventional lines. The sound picture starts familiarly enough

by showing a Skelly man on the job, and doing everything incorrectly.

"You may think this is ridiculous," says an announcer, "and that this fellow is an actor and the script calls for him to go through all the sales mistakes an attendant can make. But—"

Here the film switches into scenes taken with a candid camera, from a peephole in an enclosed car, at Skelly stations in a wide area. The shots disclosed that attendants on duty were pulling more boners than script writers could concoct. Back to the studio comes the camera and the unwitting actors are assured it's all for their own good.

From there on every detail in Skelly's "10-point service program" is depicted as it should be done and why. This sequence requires 15 minutes. To offset the reaction that "this takes too much time," the film then shows a station attendant doing it normally in three minutes.

Calvin Co., Kansas City, conceived and made the picture.

Dove Still Soars

Bombing planes zoom, howitzers vomit shrapnel, machine guns beat out a death tattoo, and the nations rush to rearm. One of the few voices lifted consistently for peace on a troubled globe is World Peaceways, Inc., New York. Valiantly that or-

ganization, and agents Young & Rubicam, N. Y., are spreading the gospel of peace.

Last year circulation of Peaceways ads rose 54%, according to Estelle Sternberger, executive director. There were 457 insertions, of which 376 were in magazines with a circulation total of 25,000,000; and 81 in newspapers with a circulation of 1,891,000. Publications contribute the space, and crack copyman Ted Patrick, of Y & R, works for glory only. He's had plenty of that from advertising circles, for his work has been exceptionally impressive.

Fightingest Frigidaire

Frigidaire division of General Motors moves up its 1938 plans and on February 22 starts the "fightingest ad schedule" it has ever released.

"Save all four ways—or you may not save at all" provides the central talking point. Copy explains that the "new silent meter-miser brings greatest savings ever known on current, food, ice, upkeep."

Lord & Thomas, Chicago office, will place spreads and pages, both in color and b. & w., in *S. E. P.*, *Collier's*, *American Woman's Home Companion*, *Good Housekeeping*, *McCall's*, *Ladies' Home Journal*, *Holland's*, *Better Homes & Gardens*, *American Home*, *Liberty*, *Life*, *True Story*, *Household*, *Electricity on the Farm*, and 40 publications of the Graduate Group.

A newspaper schedule, placed by the factory, calls for copy in "the ranking trade centers," plus dealer ads in which Frigidaire cooperates.

"See Frigidaire first and save" will be plastered on billboards coast-to-coast March 15, in the company's most comprehensive outdoor effort.

Spring Showers! You're Invited!

1938 FRIGIDAIRE

SAVES MORE WITH NEW *Silent METER-MISER*

ON CURRENT...FOOD...ICE...UPKEEP!

SAVE ALL 4 WAYS
...OR YOU MAY NOT SAVE AT ALL!

See FRIGIDAIRE First...and Save!

One of the newspaper pages.

FEBRUARY 1, 1938



RCA Victor reports these lithographed display figures in great demand by Victrola record sellers for window and counter use. They are also used by coin machine operators, and as restaurant and hotel decorations. They are 14 inches high, and stand on a base resembling a record.

Window displays, spot radio announcements, a tabloid broadside for house-to-house distribution, slide films for consumers, and the other auxiliaries of a gigantic tub-thumping are, of course, ready for duty.

Swiss or Switzerland

"Swiss cheese" is made in several European countries and over here, much to the chagrin of the real yodeling, Alp-climbing Swiss, whose market is thereby shot full of holes. Unable to trade-mark the name Swiss, the Switzerland Cheese Association obtained exclusive rights to "Switzerland" and stamps that name on the rind.

Back around 1930-31 the Association, a co-op group of cheese makers, ran an elaborate national magazine campaign that turned into a headache. Color pages in national media, before distribution had passed the here-and-there point, were a mistake. Switzerland Cheese Association joined the list of non-advertisers.

Now it has resumed, though cautiously, in New York area newspapers, trade journals, and dealer helps. Charles W. Hoyt agency is in charge. If, as, and when distribution and general conditions warrant, says Association Secretary A. Dolder, ads will be expanded to other markets. Currently only Gothamites are being urged to buy Swiss cheese made in Switzerland.

Western Electric Back

Western Electric Co., N. Y., is another to resume general ads after a six-year lapse. Two stories will be told through Newell-Emmett agency, N. Y., in magazine and newspaper space.

First, addressed to business men,

will describe WE's functions as part of the Bell System. It is to appear in *Business Week*, *Nation's Business*, *United States News*, *Wall Street Journal*, *Forbes* and *Time*.

Second theme tells of the facilities, mental and physical, of this "world's largest manufacturer of communications equipment. Bell system service is based on Western Electric quality." *S. E. P.*, *Collier's*, *Liberty*, *Country Gentleman*, *Farm Journal*, and *Successful Farming* carry the pages. To some extent copy for the two series will be interchangeable.

From 1920 to '31 WE ran an institutional campaign through the same agency. Newell-Emmett's favorite song is "An Old Flame Never Dies."

Pontiac Rules

F. A. Berend, ad mgr. of Pontiac Motors, aiding and abetting the agency, McManus, John & Adams, Detroit, sent Pontiac dealers a mailing folder with a printed ruler on the cover and an 18-inch wooden ruler inserted in slots. On the ruler's front is this season's slogan, "Pontiac rules the low-price field."

On the back are listed the 12 main new features and improvements, and accompanying reproductions of current ads, which feature such phrases as "Use the new low-priced Pontiac as a yardstick." Included in the folder is a list of media used in the campaign: *S. E. P.*, *Collier's*, *Time*, *Good Housekeeping*, *Harper's Bazaar*, *American*, *Esquire*, *Fortune*, *Forbes*, *Extension*, *Stage*, *Horse & Horseman*, *Country Life*, *Spur*, and *Town & Country*. A CBS radio period reiterates the same ruler word-play. Hitching on to so extensive a campaign, dealers are bound to conclude, is smart stuff.

Based on
an interview
by M. S. Sullivan

with

C. E. DAVIS

*Vice-President and
General Sales Manager,
Warren Telechron Co.,
Ashland, Mass.*



Telechron Sales Zoom Through Policy of Selected Outlets Well Supported

SALES of the Warren Telechron Co., Ashland, Mass., increased by 40% in 1935 and '36, and by more than that in '37. It was only 20 years ago that Henry E. Warren made the first self-starting electric clock on his farm in Ashland. Since then the company, of which he is president, has grown until its plants cover over five acres and employ hundreds of workers.

A major role in this remarkable progress has been played by the company's distribution policy. Telechron probably has the smallest number of wholesale distributors of any manufacturer in the industry with an equivalent volume of sales. This system of a few hand-picked distributors applies to Telechron home and office clocks, one of the firm's three divisions. Besides consumer products, Telechron also manufactures timing devices, sold direct to other manufacturers; and building equipment, such as tower clocks, outdoor clocks and signals, sold to architects, contractors, etc.

Consumer goods are sold through wholesalers to retailers — electrical wholesalers, jewelry, hardware, and gift jobbers. Retailers include thousands of these, plus radio dealers, power companies, and department stores.

"In keeping Telechron jobbers to the minimum required for adequate coverage," explains C. E. Davis, vice-president and general sales manager, "we have four important considerations in mind. Primarily we reduce selling expense, since a larger number of distributors entails greater relative marketing costs. Second, bookkeeping

expenses are lower because of fewer accounts and fewer losses. Third, we restrict clerical expenses, since follow-up orders and general correspondence increases with the number of wholesalers. Finally, the larger sales volume obtained by each distributor justifies him in more intensive promotion.

"The last is particularly important, for it builds good will among our jobbers. Further, it discourages cut-throat competition, productive of price wars and other sales evils.

"Our distributors do not always agree with us as to what constitutes adequate coverage of a market, that is the number of retail outlets stocking and promoting the line. We consider that at least 75% of the suitable outlets constitutes satisfactory coverage. On the whole, however, our distributors are satisfied that the Telechron line is profitable. Our average rate of distributor turnover is very low, probably not once in 20 years. They stay with us because we help them to make money through adequate coverage. We turn down 20 applications for distributorships to every one accepted."

Telechron investigates each application very carefully. Under the company's set-up, each sales area is in charge of a district manager, who is responsible for sales, who meets wholesalers, assists retailers, meets industrial users and is general Telechron representative for that section. If this district manager believes that a certain jobber would be a desirable addition to his territory, he makes a personal investigation and sends a recommendation to the home office.

When making his recommendation, the district manager gives a general picture of the distribution in his territory, including the current representation, amount of business, and his reasons for recommending the prospective jobber. Data also include names and positions of officers, names of other household appliances handled, stock value, retail contacts, number of outside salesmen, number of years in business, location and size of display rooms, shipping and storage facilities, credit rating and references, and similar information.

The list of retail contacts includes department stores and gift, jewelry, electrical and other retailers, since the company has found that certain wholesalers specialize in certain types of retailers, and it is necessary to know whether the proposed new distributor offers possibilities of developing new business not being obtained at present. The number of salesmen usually indicates roughly the relative coverage of the market and aggressiveness of the wholesaler, which together with other information presents a fairly clear picture of the prospective distributor's potentialities.

When received at the home office the recommendation is turned over to the credit department for a financial report. In addition, the field manager reviews the recommendation and makes his report to the sales manager. In the meantime, the sales office calls on other non-competing manufacturers, asking their experience with the proposed distributor.

After all reports are made, the sales manager and the field manager to-

gether make the final decision. Under such a cautious system of appointments, Telechron is reasonably well assured of having added a desirable jobber. This method also saves the headaches and the expense of haphazard appointments and frequent discontinuances of jobber relations.

Telechron's number of jobbers in Boston is three; in Chicago it is seven; in Atlanta two; in New York seven; and in Los Angeles two. Thus, the number of distributors varies roughly in proportion to the size of the market. Due allowance must be given to the territory worked by jobbers, and their sales organization's aggressiveness. Some jobbers concentrate on large accounts in cities, while others tend to sell quantities of smaller dealers in urban and suburban markets.

Few enough distributors in each major market are given the Telechron franchise to insure a substantial profit return to the jobber who features and pushes the line. This is the basis of the marketing policy which is pushing sales ahead year after year at a rapid rate.

Telechron has established itself in the minds of distributors as a company whose line is desirable, and not one of those lines thrown indiscriminately into the hands of every jobber.

New items in the Telechron line are introduced well in advance of the firm's best sales season—from September 1 to December. Announcement of new products, advertising, and sales promotion plans is made to district managers at Telechron's conference in July or early August. Following that, complete plans are revealed to all distributors.

District managers then start calling on distributors, showing samples of the new models, advertising and sales promotional material. Next the managers exhibit to important retail accounts, and address meetings of jobbers.

bers and their salesmen. Mailing pieces are provided for jobbers to announce the new models and promotion program to dealers.

Telechron places great emphasis upon its distributors, giving them valuable helps of all kinds. In the *Telechronicle*, its dealer organ, the company gives news of its products, advertising campaigns, new direct mail pieces, window and counter displays, plant news, special campaigns, activities of distributors and stories of various clock installations. It furnishes sales ideas and aids the dealer in merchandising the company's advertising and sales promotion plans. This is issued several times yearly.

Among other dealer helps, the company is now offering the first of a series of sound films for local theatre advertising. The film is 35 feet in length, costs the dealer five dollars, and ties in directly with the company's sales promotion plans. It was produced by the Modern Display Film Co., Chicago.

Ample Sales Ammunition

The company furnishes a dealer catalog which contains illustrations and specifications on the complete line as well as most sales promotion material. This is also reproduced in a vest pocket size, three by five inches, for the public. This, of course, omits reference to advertising and sales helps which would not be appropriate in a consumer catalog.

The company furnishes various pieces of direct mail literature for counter and mail distribution. This year it reproduced cover pages of these mailing pieces in four-color, cut-out displays, each about six inches high.

Itinerant window displays are available to retailers. One current display represents a blue-print of a residence featuring the proper clock for each room. Another mechanical display features six soldiers with the theme of *uniform time and distinctive style*. As the soldiers "about face," the reverse side presents six clocks for different rooms and purposes. While the mechanical military scene might have been expected to prove the more popular, it was the static blue-print theme that chalked up most demands for retail windows. Many other display pieces and sales promotion plans are furnished free to dealers.

Telechron reaches consumers with the largest consumer advertising program in the industry devoted exclusively to electric clocks. *Life, House & Garden, Saturday Evening Post, Good Housekeeping* are on the list used by agents N. W. Ayer & Son, Boston.



The blue-print window display shows the proper clock for each room.



When the soldiers "about face" six different clock models appear.

BY
BRUCE
CROWELL

She came to buy plated silver . . . and went away with sterling, because it had been sold to her in terms of its greater beauty, its longer life, the pride of possessing it. The sale had been tripled —because a salesman was not afraid of trading-up!



Ewing Galloway

The Salesman Who Is Afraid to Trade His Buyer Up

THE experiences we have from day to day with retail salespeople are often exasperating and time-consuming, but if you happen to be in the business of selling, you can turn even those experiences to personal account. You can learn something from them.

I looked at a raincoat shortly before Christmas, but didn't get around to the purchase of it until several weeks later. When I did, I said to the salesman:

"I know exactly what I want, because I saw it here a couple of weeks ago. I want a water-proofed gabardine coat, celanese-lined, with round collar, the price of which is \$37.50." I gave him the size and the length.

The salesman disappeared into a stock room, and, after what seemed an interminable wait, he emerged with a coat. It was the right size and the right style, but a poorer quality. Its price was \$29.50. The salesman explained that he no longer had the coat I asked for, and started in to describe some of the features of the cheaper coat.

I was impatient. I had made up my mind that I wanted a good coat; and, remembering the excellent quality of the material in the \$37.50 one, the \$29.50 coat looked "cheesy" to me.

I promptly walked out, and hotfooted it over to another store where I found the coat I wanted—at \$40. It took me five minutes to buy it.

Doubtless you've already spotted the stupid error in sales tactics made by that salesman. Instead of showing me the next *higher-priced* coat (it was \$49.50), he tried to trade me *down*.

It is true that I might not have bought that \$49.50 imported English number, but the chances were all in favor of my doing so. Had I not declared myself to be in the market for a quality coat by passing up all the dozens of coats on the racks priced from \$4.95 up through \$29.50? Obviously, I was not price-minded—at least on the subject of raincoats. I actually *did* spend more than I intended when I bought the \$40 coat.

Thus are sales opportunities—and commissions—lost!

So many salesmen are afraid to show quality merchandise, yet that's the easiest way I know to make a buyer dissatisfied with cheaper goods. If you know why the quality item is worth its higher price, you're safe in trying for a trade-up with any prospect. Saving money is attractive to all of us, it is true, but the primary interest of the buyer lies in his ultimate satisfaction with his purchase.

And that's where the quality product can deliver.

Buyers are often price-minded—until salesmanship steps in and does an honest and intelligent job. The more skillful you are at trading-up, the stronger is your advantage over competition whose only weapon is price.

A \$216,000,000 Industry: California's Reward for Faith in Advertising

The persistent, well-timed campaign waged these many years by the All-Year Club of Southern California in 1937 brought 1,741,603 tourists to that vacation wonderland. Travelers from afar now represent the state's second largest source of primary income.

BY ANN BRADSHAW

SUPPOSE you have a product to sell 3,000 miles or so from the big centers of U. S. population, and that the product is the glamour of a community. The community color and comfort has to be sold to America's travelers, her vacationists, her tourists. Suppose it takes four or five days of arduous traveling for most people to reach your product, the bigger part of a whole week before the consumer can actually, as you promise, sit next to Wallace Beery or Clark Gable at a prize fight.

Then, suppose, to complicate your sales problem still further, that every hill and dale and prairie and puddle between the metropoli and your community is being advertised and touted to divert the traffic. And weigh the additional fact that the eastern seaboard guys and gals can have a gala vacation that starts immediately if they choose a European trip. Within 20 minutes after they clasp their pay check in their hands and pack their bags, they can be wrapping their mitts around a cocktail glass in a ship bar—and their vacation has begun automatically without loss of time and temper bumping along dusty highways and deserts on their way to your isolated product.

Now do you begin to sense the sales problem of Southern California? Yet therein lies one of the best sales jobs of the past decade. It is a story of timing for volume sales in the \$5,000,000,000 annual pleasure travel business—the first, second or third (famed economists can't seem to make up their minds which) ranking industry in America. It is a story of keying appeals to changing conditions and tastes to get results like these, for instance, offered by conservative figure-man Wright of the All-Year Club:

During 1937, 1,741,603 financially responsible tourists came to tan be-

neath California's sun; 1,088,071 came in *Summer* (more about this later) and 653,000 came in *Winter*. They were the state's second largest source of primary income (that is, value of product sold f.o.b., Southern California), totaling \$216,700,000 plus some odd dollars. Similarly in round figures, note the following expenditures (for 1936; 1937 figures have not yet been compiled) which destroy the belief of many U. S. merchants that tourist dollars roll into the tills of only hotel, restaurants and gas stations:

Restaurants	\$18,000,000
Laundry and dry cleaners.....	5,500,000
Public utilities.....	16,500,000
Food products.....	16,000,000
Hotels	21,000,000
Professional and personal services	6,500,000
Real estate and rentals.....	16,000,000
Miscellaneous	12,000,000
Drugs and sundries.....	2,800,000
Clothing and furnishings.....	25,000,000
Amusements	18,000,000
Automobile accessories.....	19,000,000
Gas and oil.....	9,000,000

Obviously, putting all that money into a territory runs it pretty well *through* that territory, and it's all fresh capital—sweeter, even, to Californians than Cocoanut Grove music.

For 1936 the section's other chief sources of *primary income* brought, in comparison, the following sums: Oil, \$226,000,000; citrus fruits, \$86,000,000; motion pictures, \$165,000,000.

"No wonder," the Californians say, "some 20 other states have 'horned-in on our racket!'"

So bulky, in fact, has tourist advertising grown that Southern California, with its not-to-be ignored advertising budget, is now out-adver-



Bronzing: Ah, that California relaxation! Such blonde honeys as this decorate the pool sides in Midwinter—and such pictures have knocked the average vacationist's no-more-than-500-miles-from-home vacation habit for a heck of a loop. But definitely!



New Year's Day: 'Neath the dazzling California sun of January 1 parade rose floats of almost incredible beauty as a feature of the annual Pasadena Tournament of Roses. By such methods, Southern California not only magnetizes tourists, but hypnotizes them after they get there. A complete selling job!

tised about 40 to 1 in the approximate \$6,000,000 U. S. tourist-luring fund each year—and this excludes commercial accounts, such as trains, buses, planes, etc., in the first line of "take" on tourist expenditures.

No community advertiser is more consistent, however, than Southern California, originator of the first major community advertising campaign. (Denver and San Diego had played with the idea previously, but had not gone into it on a big scale.) Each year the tourist crop has brought along a new batch of in-laws and neighbors; each year the All-Year Club has touched new heights with a grander advertising budget; and everyone in "paradise" is merry about the thing.

Of course, there's an occasional serpent amid the swaying palms, Grauman's Chinese first nights and the Pasadena Rose Festivals. During the 1936-37 Winter, there was (unthinkable!) freezing and general bad weather for some weeks. Even during the Spring and early Summer it was too cool and too damp to go to the beaches early, and natives nodded their head and said, "Unusual."

All Weather Is Good Weather

Cynics quoted gags about 1937 California babies learning to say "Unusual" before they said "Daddy," but that irrepressible sales organization, the All-Year Club, was undaunted. Its Don Thomas, managing director, its high-powered publicity chiefs (Minard Fassett, director) and its ever-alert advertising agency (Lord and Thomas, Los Angeles office, with Bill Pringle, the All-Year account executive) think of everything. Out came a revealing and redeeming little booklet called, "Quick Facts About the Climate of Southern California."

"Many consecutive Winter days compare with the best in Summer," divulges the little gem of tact. "The thermometer 'dips' occasionally, to be

sure, but daytime temperatures are rarely below 50 degrees."

It stresses the great variety of weather from the skiing heights on Lake Arrowhead to the warmer than Summer climate at Palm Springs. "You can pick an orange and throw a snowball within an hour."

That's the way the All-Year Club sells. It times its copy and, like a keen-minded sales executive, it molds its tactics to today's demands.

The Campaign's Beginnings

Witness Don Thomas' words to **SALES MANAGEMENT** on the club's selling methods:

"Back in 1921, bosses on the *Los Angeles Times*, *Herald Express* and *Examiner* and still other dominant newspaper men had a meeting with hotel men to see whether something could not be done about lowering hotel rates. The Winter tourist season lasted but two months, and there was no Summer tourist season. Consequently, hotels were charging sky-high rates to meet overhead the other ten months of the year. . . .

"Out of that get-together came the club formation to promote Southern California through the definite depression of that year.

"At that time Southern California was the only section aggressive in attracting tourists, and it was not hard to assume a dominant place in the tourist business picture. In the pioneer campaign, we flaunted the lure that our community was the *only* resort area with both Summer and Winter recreational advantages, where both Junior and his Grandpappy could play for 12 straight months.

"Winter business more than doubled, and although Southern California had been going along as a modern community for 50 years preceding that time, it was not until we made this concerted effort to get them that Summer tourists began migrating to the striped cabanas that dot our

shores. The next four years we harped on our Summer climate. The next four we kept up the heavenliness of our Summers, but stressed the sheer comfort of our Winters.

"Came the depression! Our competitors, by now having become plentiful, dropped out of the advertising columns, but we believed there was wisdom in continuing with our story. We *changed our appeal*, however. Our depression campaigning was not for immediate results, but to build up *future desires*. Those who could not travel would still read, and when they did get money to travel again they would remember the desire we created in them, during the lean days, to visit in California.

"Then, realizing how ragged were the nerves of business men, we plunged into a health angle. There were a series of advertisements aimed at men worried about breakdowns. The 'Bake Out Your Troubles in S. C.' results were astounding. Our tourist total never dropped below 700,000, despite the fact that nobody had any money with which to do anything. . . .

Luring Two-Week Vacationers

"In 1930, we broadened our theme to appeal to the traditional tourist. By 1934, the depression was sinking into the background, but conditions were changing again. Somewhere along the line the millionaire tourist who had rented a suite at the Beverly-Wilshire Hotel for the Winter, or a house in Pasadena, had vanished. In his stead were people with two-week vacations to spend, and we keyed our copy to them. Remember the 45-page booklet 'California in a two-week vacation—a glorious unescorted go-as-you-please trip at little more than the cost of an ordinary close-to-home vacation' that came when you, perhaps, clipped a coupon?

"By 1935 and '36 still another new
(Continued on page 60)

5,000 Consumers Rate Tobacco, Liquor and Clothing Ads

Chesterfield leads cigarette group with most mentions, Four Roses among whiskies and Jantzen swimming suits in clothing group; group mentions exceed specific products in alcoholic beverages and are a third of the total in tobaccos.

IN June, 1937, investigators of the Market Research Corporation of America, working under the direction of Percival White and Pauline Arnold, went into 5,000 homes and asked men (20%) and women (80%) the two questions: "What recent advertisements have impressed you *favorably*?" and "What recent advertisements have impressed you *unfavorably*?" General conclusions, and specific data on foods, drugs, toilet goods and house furnishings, have appeared in recent issues of *SALES MANAGEMENT*.

In this issue we take up the reactions to advertisements of cigars, cigarettes and smoking tobacco, alcoholic beverages, and all types of clothing and wearing apparel.

The 5,000 consumers made 1,905 mentions of cigarettes. This represented 14% of the mentions of all products, as against 17% in a comparable 1935 survey.

But whereas slightly over half of the total mentions in the 1935 study were favorable, this year the favorable mentions were only 39%. Either there is greater resentment over tobacco advertising (or certain types of it) than in 1935, or the MRCA investigators happened on a more critical group.

The former conclusion seems the more tenable because great care was exercised to make the 1937 study representative as to locality and income groups. Some 577 of the total mentions were of a general nature. For example, 23 people made favorable mentions of "cigarette ads" while 424 mentioned them unfavorably. This total is greater than the mentions for any specific tobacco product. "Tobacco ads" were praised by seven and damned by 72, and many other mentions were made of such generalities as cigarette ads showing women smoking, cigarette testimonials, and "cigarettes for health."

In the 1935 study Camels led in total mentions, followed by Lucky Strike, and Chesterfield was not a par-

ticularly close third; in 1937 the vote was reversed. Chesterfield led with 401 mentions, Camel followed with 357, Lucky Strike 304, and Old Gold 130. Incidentally, the Old Gold vote was a tremendous increase over the 1935 study, when out of 5,000 con-

sumers only 18 mentioned an Old Gold ad.

In the number of favorable mentions Chesterfield's lead was even more pronounced. Full details on favorable mentions, unfavorable mentions, total mentions and ratio of favorable mentions to total mentions are given in Table I for products receiving two or more mentions.

Less than half as many mentions were made of alcoholic beverages as of tobacco products, and here the "general" mentions far outstripped those for specific products. Out of

What Advertisements Do Consumers Like, Dislike, Notice?

A Summary of the Mentions of Tobacco, Liquor and Clothing Advertisements made by 5,000 Typical Consumers

Table I: Tobacco

PRODUCT OR COMPANY	Favorable Mentions	Unfavorable Mentions	Total Mentions	Ratio Favorable to Total Mentions
American Tobacco Co.	3	1	4	75
Bayuk Cigars	2	..	2	100
Bull Durham	..	29	29	0
Camel	112	245	357	31
Chesterfield	319	82	401	79
Copenhagen Snuff	..	2	2	0
Edgeworth Tobacco	2	..	2	100
Half & Half Tobacco	1	4	5	20
Kentucky Club Tobacco	5	1	6	83
Kool	9	4	13	70
Liggett & Myers	3	..	3	100
Lucky Strike	142	162	304	47
P. Lorillard Co.	..	2	2	0
Model Tobacco	1	4	5	20
Old Gold	79	51	130	61
Philip Morris	13	6	19	68
Prince Albert Tobacco	7	5	12	58
Reynolds Tobacco Co.	1	1	2	50
Roi Tan Cigars	..	4	4	0
Sir Walter Raleigh Tobacco	2	4	6	33
Spuds	2	1	3	67
Twenty Grand	1	6	7	14
Union Leader Tobacco	1	4	5	20
Velvet Tobacco	..	3	3	0
Viceroy	2	5	7	29
White Owl Cigars	6	6	12	50
TOTAL	751	1,154	1,905	39

Table II: Alcoholic Beverages

Acme Beer	2	1	3	67
Ballantine's Beer	7	..	7	100
Budweiser Beer	7	4	11	64
Calvert	4	3	7	57
Canadian Club	1	2	3	33
Crab Orchard	..	2	2	0
Falstaff Beer	6	..	6	100
Fleischmann's Gin	..	2	2	0
Four Roses	28	27	55	51

(Continued on page 28)

What Advertisements Do Consumers Like, Dislike, Notice?

A Summary of the Mentions of Tobacco, Liquor and Clothing Advertisements made by 5,000 Typical Consumers

(Continued from page 27)

Table II: Alcoholic Beverages—Cont'd

PRODUCT OR COMPANY	Favorable Mentions	Unfavorable Mentions	Total Mentions	Ratio Favorable to Total Mentions
Frankfort Distillery.....	2	..	2	100
Glenmore.....	..	2	2	0
G. & W.....	1	3	4	25
Gordon's Gin.....	2	1	3	67
Ham's Beer.....	1	2	3	33
Hiram Walker.....	5	5	10	50
Jax Beer.....	1	1	2	50
Johnnie Walker.....	3	1	4	75
Kappitz Beer.....	..	3	3	0
Leisy Beer.....	2	1	3	67
Mantz Beer.....	2	..	2	100
Mt. Vernon.....	1	2	3	33
Old Mr. Boston Gin.....	3	1	4	75
Old Kentucky.....	..	4	4	0
Old Rose.....	..	4	4	0
Our Family.....	..	2	2	0
Pabst Beer.....	3	11	14	21
Paul Jones.....	2	7	9	22
Schenley Distilleries.....	2	2	4	50
Schlitz Beer.....	1	11	12	8
Seagram.....	18	10	28	64
Stag Beer.....	2	8	10	20
Teacher's Scotch.....	1	1	2	50
Three Feathers.....	2	1	3	67
Vat 69.....	2	..	2	100
White Horse.....	1	2	3	33
Wilkins Family.....	3	15	18	17
TOTAL.....	144	689	833	18

Table III: Apparel and Textile

PRODUCT OR COMPANY	Favorable Mentions	Unfavorable Mentions	Total Mentions	Ratio Favorable to Total Mentions
Arrow Products.....	26	1	27	96
B. V. D.....	..	2	2	0
Cooper Underwear.....	..	2	2	0
Daniel Green Slippers.....	2	..	2	100
Du Pont Rayon.....	6	..	6	100
Enna Jettick Shoes.....	2	1	3	67
Florsheim Shoes.....	3	..	3	100
Gantner & Mattern.....	7	1	8	87
Goodall Worsted.....	3	..	3	100
Gossard Corsets.....	2	..	2	100
Gotham Stockings.....	1	1	2	50
Haines Shoe Wizardry.....	2	..	2	100
Hart, Schaffner & Marx.....	12	1	13	92
Holeproof Hosiery.....	1	1	2	50
Holander Furs.....	3	..	3	100
Hood Canvas Shoes.....	2	..	2	100
Interwoven Socks.....	2	..	2	100
Jantzen Bathing Suits.....	39	14	53	74
Keds.....	2	..	2	100
Knox Hats.....	2	..	2	100
Movieland Furs.....	1	1	2	50
Munsingwear.....	..	2	2	0
Paris Garters.....	2	..	2	100
Pepperell Fabrics.....	3	..	3	100
Perfolastic Girdle.....	1	1	2	50
Real Silk Hose.....	5	6	11	83
Red Cross Shoes.....	8	..	8	100
Scholl's Products.....	1	3	4	25
Selby Shoes.....	3	..	3	100
Spencer Corsets.....	7	8	15	47
Stetson Hats.....	2	..	2	100
Talon Fasteners.....	5	4	9	55
Vanta Baby Garments.....	4	..	4	100
Wamsutta Products.....	1	1	2	50
TOTAL.....	236	104	340	39

833 mentions of liquor advertisements, 538 were of a general nature. For example, 103 people mentioned "beer advertisements," with three mentioning them favorably and 100 unfavorably. "Liquor ads" were praised by seven and damned by 422.

None of the specific product mentions reached a total comparable to the leaders in such groups as food, drugs, tobacco or automotive. Four Roses was the most-mentioned product—55 mentions—and its companion product, Paul Jones, likewise ranked relatively high. Seagram products followed Frankfort in total mentions and the Wilkens Family division of Schenley is far ahead of other products of that company. Complete details for products receiving two or more mentions are given in Table II.

Apparel Needs Promotion

The clothing and wearing apparel division, which included men's, women's and children's clothing, shoes, haberdashery, hats, underclothing, etc., brought mentions for only 67 products and a total of 340 mentions. Both in number of products and in number of mentions, the totals seem alarmingly low, considering the importance of clothing in American life. While the total mentions in relation to total advertising expenditures in national media made by the manufacturers was 3% higher than for industry as a whole, the number is nevertheless decidedly low in relation to the importance of the product.

The low mentions indicate that manufacturers are not doing as effective a job in registering their names with the public as is true of the makers of most of the other products which are included in these tabulations. The local stores with their local brands, apparently are registering more strongly with buyers than the national manufacturers.

The most mentioned specific product was the Jantzen bathing suit, which is a seasonal product being pushed hard at the time the survey was made. From their total of 53 mentions there is a big drop to Cluett, Peabody's 27 mentions, 15 for Spencer corsets, 13 for Hart, Schaffner and Marx and 11 for Real Silk Hose. General mentions in this field accounted for only 78 out of the total of 340 mentions.

SALES MANAGEMENT, in its issue of February 15, will carry the concluding installment of this survey among 5,000 consumers. Tabulations and comment will be given for automobiles, tires and accessories, petroleum products and miscellaneous items.

When the Housewife Meets You at the Door with Fire in Her Eye

Remember your manners and plan your approach, and you can win a hearing in 90 or more calls out of each 100 made, says this seasoned house-to-house salesman and manager.

BY R. F. WALKER

Zone Manager, Matthews Manufacturing Co., Inc., Indianapolis



No housewife, believes Mr. Walker, wants to be *sold* anything. But, approached deftly, she will *buy* something she believes she needs.

MORE sales are lost at the door-step than anywhere else. Goods cannot be sold at the door.

But the really competent salesman never attempts to sell anything at the door. He gets in. He probably can count on the fingers of one hand the number of "controllable" doors that have been closed to him during the past 12 months. He gets into about 97% of the homes at which he calls. And, surprising as it may seem to many agents and peddlers, he doesn't experience any very great difficulty in so doing.

First, though, let us consider the circumstances. The prospect probably is already exasperated by the frequent ringing of her doorbell. She doesn't like to do business with strangers. She is busy and doesn't wish to be bothered. She doesn't want to be sold anything today. She isn't in the market for anything at present. When and if she does wish to buy something, she will go to a store and make her

R. F. Walker, who tells in the accompanying article how he "gets in" and how he has trained and is training hundreds of others to do so, has been in sales work for 19 years. His first job was selling a set of books at \$12.50 to \$25, and he was one of the publisher's leading ten salesmen his very first year. He was made a crew manager, then a field trainer of new salesmen, then campaign manager in various cities, where he organized and trained salesmen and directed them until the territory was covered. He then switched to an encyclopedia that sold at \$70 to \$90. He gave this up three years ago to join Matthews Mfg. Co. as a district manager, hiring and training saleswomen to sell dresses direct. He has since been promoted to regional manager and to zone manager, in charge of sales in several states. Note that he has had only three jobs in 19 years. Selling, the way Walker does it, is a profession—and a good one.

selection without the urging of a high-pressure salesman.

So the salesman is met at the door with a blunt-crabby-frigid-peevish "What is it?" Or, "Nothing today," and the door is promptly closed. Or if he is allowed a moment in which to state the purpose of his call, he probably forgets his planned approach and blurts out something which means, in effect, "Would you like to spend some money today?"

No, the prospect would not like to spend some money today—nor any other day. And so the door is closed and the sale is lost.

Why? Chiefly because the salesman had not previously made proper preparation for that critical moment. On the contrary, he likely had developed a wrong attitude. His is "a game," "a racket." He rings doorbells for the sole purpose of preying upon prospects. He never stops to ask himself, "What can I do to help you?" His entire energies are centered on the thought, "What can I do to get you to help me?"

This brings up the point that the salesman must himself be sold on his product. He must be fully convinced that he is doing the prospect a service.

She's a Perpetual Skeptic

But the prospect doesn't know this. She automatically sets up resistance; she has no intention whatever of letting that stranger in. So the salesman must plan to overcome this resistance. He must get in and put the prospect at ease before he can convince her that he isn't going to sell her anything—he is just going to let her buy something she wants and needs.

In attempting to answer the question, "How can we get in?" I am confronted with the alternative of either being dogmatic and presuming to tell the reader how to do this, or of appearing to be egotistical and telling how I do it and how I train my salespeople to do it. The latter seems preferable.

First, then, I never call from door to door. Houses have windows and the housewife who sees anyone canvassing her block immediately sets up resistance. She may even decline to come to the door when one rings. I usually make two or three calls to a block at most, and in making these I zig-zag from one side of the street to the other or else make widely-separated calls. Perhaps, more commonly, I make one or two calls on one street, then switch over to the next street, then back, and so on.

I never call on any prospect without having first learned her name. Where possible, I learn her full name and the

names of her children. In some cases it is quite as important to know the name of a child as it is to know that of the prospect. Such information usually can be secured from the corner druggist or grocer, from customers as I go along, or even from the city directory.

Having decided to call upon a certain prospect, I know exactly where I am going, and why, and I act accordingly. Still mindful of the fact that houses have windows, I walk briskly up the street and turn in without the slightest hesitation. My entire attitude is one of purposefulness and confidence.

As I mount the steps and ring the bell, I am studying the entrance. Some doors open inward, others outward, hence I observe which way this door opens and take up my position where the prospect will have to open it rather wide. I can't get through a crack. If there is a storm door or screen door, I also observe that and learn whether it is latched by testing it as I ring.

When the prospect opens the door, I tip my hat, but do not remove it. To do so is to be caught flat-footed, hat-in-hand, ready to be cross-examined.

So I just tip my hat, smile, and say: "Good morning. Are you Mrs. Brown?" When she answers in the affirmative, I say:

"I am Mr. Walker; may I step in?"

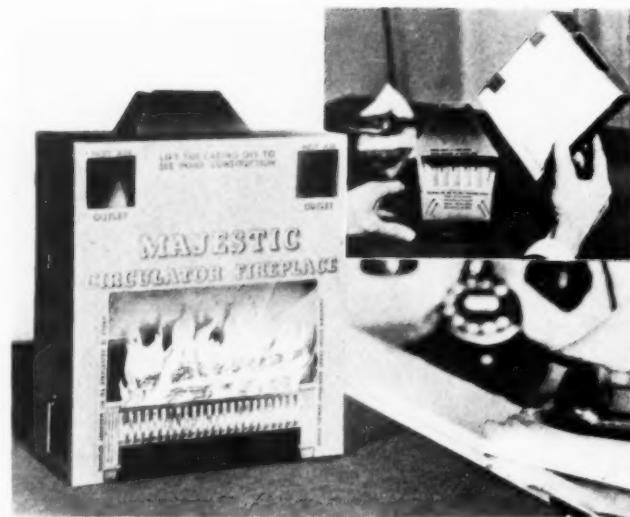
Take a Welcome for Granted

As I say this, I am poised, one foot forward, and I lean forward in the very act of taking a step across the threshold. Her natural inclination is to step back out of the way, and I step in. Even if she saw me coming up the walk, my whole attitude and bearing has subconsciously impressed her with the idea that I am a gentleman, calling for a definite purpose. She may not even pause to consider the evidence and conclude that I am a salesman against whom she should set up resistance.

But of course it isn't always as easy as this to get in.

Screen doors are frequently found latched. In that case I proceed as before with the exception that, as I say, "May I step in?" I reach for the door handle. This gesture suggests that she lift the latch, which she likely will do without so much as hesitating or pausing to think why. Briskness, an air of confidence, a pleasant smile, and a good-will attitude all combine to establish confidence during the first critical moment.

If my reception is a cool or resentful one, I may make a maneuver to arouse interest before introducing myself. If, for example, the way she admits her



Model-ized Bulletin: Majestic Co., Huntington, Indiana, is sending its list of architects, contractors, dealers and consumers a mailing piece that contains a scaled model of the Majestic "Circulator Fireplace." Those in the building field are always interested in seeing the actual product, so the pasteboard miniature approaches that reality. After the model is assembled, the folder in which it comes may be filed for reference, as it contains all specifications.

identity seems ominous, I may follow my first question with another: "Are you Mrs. Brown?" "Yes." "Mrs. G. E. Brown?" Or, "Are you the mother of Mary Brown, who attends Grade School 66?"

This arouses her curiosity and takes her mind off the thought that I am a salesman. I am there to see her personally on a matter of importance. She wonders what it is and when I say, "May I step in?" at the same time making a motion as if to do so, she is more than likely to step back.

A smile is very important, though, particularly when mentioning children by name. Otherwise the mother may suspect that something has happened to her child, in which case she won't be in a proper frame of mind when I do get in.

"I'm Busy Too . . ."

Of course I meet with many objections and I must be prepared to overcome these. Probably the most common one is that the prospect is busy—she hasn't time today. My usual answer to that is to look at my watch and say: "I'm very busy, too; it's a nice way to be, isn't it? Shall we hurry?"

But the prospect may counter with, "What do you want to see me about?"

"That's just what I called to tell you, Mrs. Brown. May I step inside?" This is accompanied by an air of expectancy and the movement as if to step forward. It would be useless to come to a full stop, stand there flat-footed, and await her verdict.

It may be, of course, that "Mrs. Brown" really doesn't have time; she has an appointment with the dentist, perhaps. In that case I look at my watch and say: "I'm sorry, Mrs. Brown. In that case, I'll have to call some other time. Let's see, I could return this afternoon either at one or three. Which would suit you better?"

Inviting her to make a choice takes her mind off of the main question—whether she will see me at all—and centers it on a choice of time.

If she still insists on knowing what I want to see her about, I tell her that it is too important to discuss hurriedly; I would prefer to return later: "Shall we make it at one, or three?"

Another prospect who does have time will ask what I want to see her about. In such cases I appeal to her interest, vanity, pride, and curiosity.

Curiosity-Ticklers

For example, when I was selling books, I might counter with: "Why, you are Mary Brown's mother, aren't you?" Or, "It's about Mary." This was quite true, because I based my appeal largely on the advantages to the children.

In selling dresses, I may say: "I've been told that you are a very good judge of styling." If necessary, I may add: "I'd like to get your reaction to our particular styles and fabrics." A refrigerator salesman would change this to something like: "I've been told that you are something of an authority on domestic science," or "I understand that you are a leader in the movement for home modernization," or "you are interested in dietetics," and so on.

Many prospects object that they aren't interested in anything today. My usual reply to that is: "I can appreciate that, Mrs. Brown, but I have been told that you are a good judge of styling," etc. In selling books, I would say: "I can appreciate that, Mrs. Brown, but you are interested in Mary's education, aren't you?" A piano salesman might change the latter part of this to: "But you are interested in the cultural advantages of your children, aren't you?" A re-

(Continued on page 61)



LONG DISTANCE

PUTS *tact*

INTO *contact*

ALL business can learn a basic lesson from the modern credit man. He relies on Long Distance telephone service for collecting overdue accounts without losing good will.

Your credit man knows that a Long Distance call reaches the right person promptly and gets personal attention . . . that it permits tactful, two-way discussion from which some settlement usually develops.

Sample the service yourself. . . . An old customer who hasn't been heard from for months? A "hot" prospect who has suddenly cooled off? Errors, misunderstandings or complaints? If you can't go see them, telephone and talk things over. Give your personality a chance! You'll find Long Distance smooths things out quickly, clearly . . . and economically.



When the Treasurer Thinks Adequate Sales Figures Are Not Worth the Investment

Left to its own devices, the accounting department will take the shortest and easiest route in the handling of sales records. Consequently it's up to the sales manager to decide what break-down figures he needs on who-is-buying-what and to insist on getting them.

BY O. R. JOHNSON
Treasurer, Trade-Ways, Inc.

WE don't question the integrity of the treasurer. He can be relied upon to give the sales manager whatever may be due in the way of money. But that his financial records and reports can be trusted to give the sales manager the guidance he needs to operate the sales department effectively is not so certain. In fact, my experience indicates that the odds against the sales manager are heavy.

The reason is not hard to find. With the needs of the treasurer uppermost in their minds, the primary purpose of most accountants is to set up their books, and their account classifications, so as to reflect as accurately as possible the position and progress of a business from the *financial* point of view. Next they aim to take care of the production department, which long ago began to insist upon detail cost records for its needs.

The sales department gets little attention from them, for sales managers typically accept uncritically what is offered in the way of records; with the result that the figures they use

may be not only valueless, but actually misleading as well.

If the sales manager is to formulate sound sales and merchandising policies, and to direct their execution with precision, it is essential that he be provided with reports which tell him what is going on in terms of the units and classifications which he has to manipulate to get the results. The financial classifications prepared for the treasurer's use are not sufficient. He must receive his information in terms of functional classifications of actual sales and merchandising activities. The typical controller or auditor does not think in these terms. Hence the sales manager commonly operates under a distinct handicap created by lack of proper figures.

An example of a situation of this type is that of a large manufacturer of a well-known line of precision instruments. Originally, this product was sold to only one type of customer, but this market was so large that the company had to establish branch offices at various parts over the country to serve it adequately. Today, how-

ever, the sales operation presents an entirely different picture, for the company now has four distinct markets for its products, each of which is cultivated by its own sales force.

The most important sales problem of the company today is to make certain that *each* of its markets is developed thoroughly, in accordance with its own needs and potentialities. And these differ considerably, for not only do the markets themselves present distinctive problems, but the company's competitive position in them varies considerably.

In two of them, it is firmly established. In another, it occupies an intermediate position; and in the fourth, in which it is a relative newcomer, competition is far ahead and is strongly entrenched. Yet this is the market which holds the greatest promise for future growth, and which must therefore be cultivated with the greatest possible vigor and effectiveness.

Real Yardsticks Needed

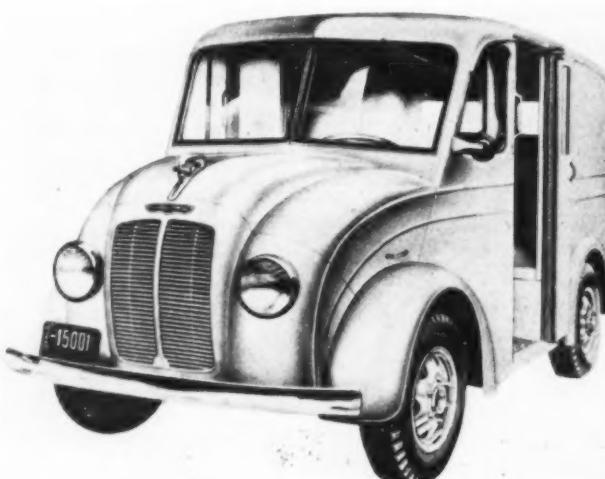
This company has exceptionally capable management, and its financial records are complete and detailed. Quarterly profit-and-loss statements are prepared not only for the company as a whole, but also for each of its branches. Branch managers are furnished with comparative ratios of operations in other branches, so they have a standard against which they can readily check their own trends and performances.

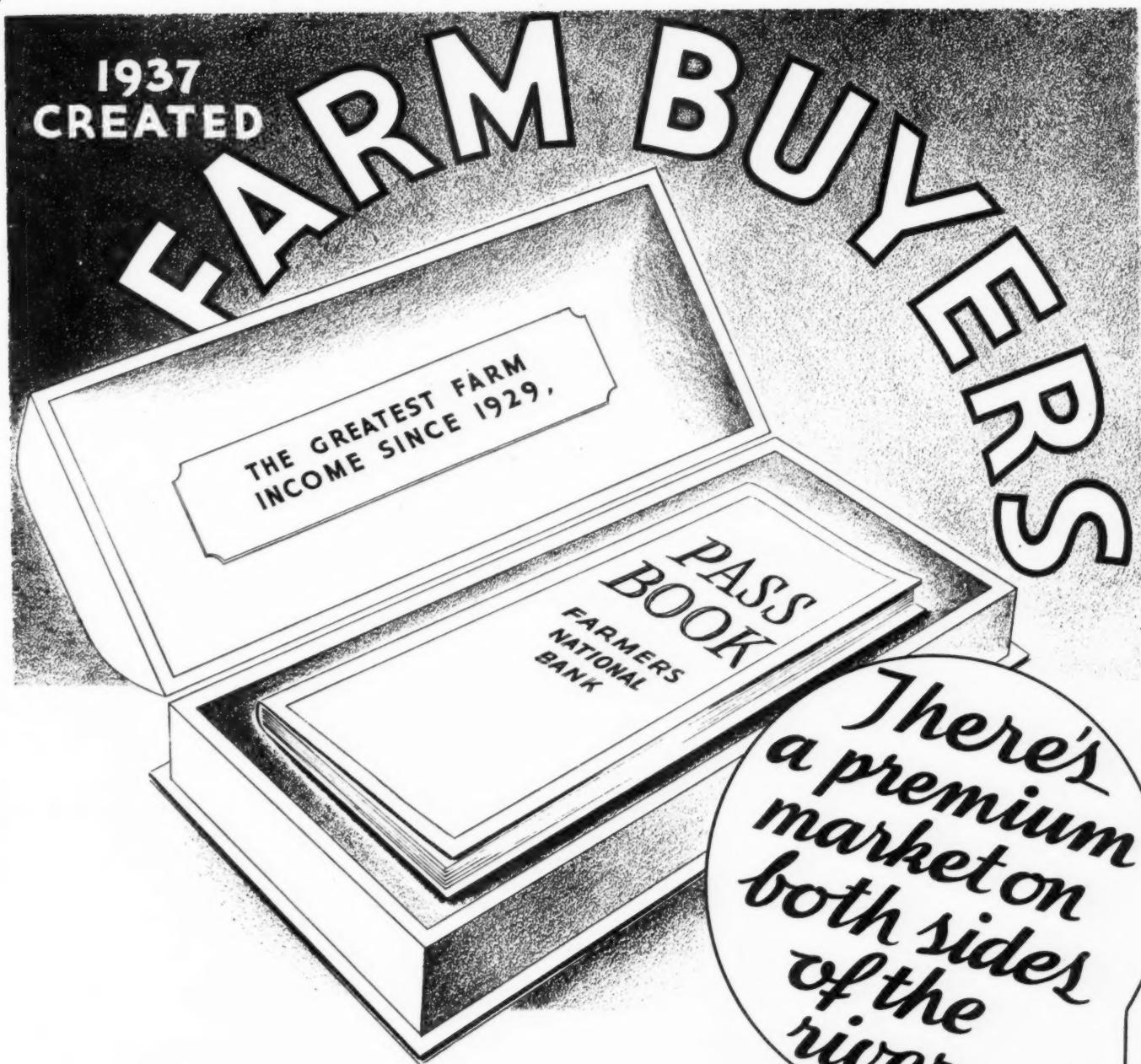
Neither the company nor the branch sales accounts, however, show separately the sales made in each of the company's major markets; they are merged into one total company figure. All sales expense figures are handled similarly. Consequently although both company and branch profit and loss are known to the penny, the figures as set up fail to reveal clearly to the sales manager what is going on by markets, and by sales operations.

Obviously, this method of accounting imposes the severest kind of handicap on accurate, sensitive control of the company's sales activities. It provides none of the information that would be considered essential if any one of these sales operations constituted the company's entire business. Yet the success of each of these operations, in the long run, depends upon the individual treatment it gets. Now, all the figures are thrown into one pot, effectually concealing their distinctive and significant differences. Tests show that when sales expense is re-classified and charged to the sales operation responsible, its ratio is very much higher

(Continued on page 62)

Diveo-Twin Truck Co., Detroit, commissioned Wilbur Henry Adams, Cleveland industrial designer, to create a new model delivery truck. An especial point of advantage is the door permitting rapid egress and ingress. Loading space in front has been materially increased, and every inch of space has been utilized. A lower through aisle is presented. The exterior's smooth lines speak for themselves.





There's
a premium
market on
both sides
of the
river

• Crops, livestock, livestock products and government payments poured a cash farm income of \$460,308,000 into the bank accounts of Oklahoma and North Texas farmers in 1937. This was \$75,928,000 up from the 1936 total of \$384,380,000 and the greatest cash income for these farmers since 1929.

Babson, Brookmire and Forbes single out this area as one of outstanding sales opportunities for the first half of 1938. They recommend its intense cultivation. Follow this suggestion. Advertise to this above-average market through The Farmer-Stockman and its more than 200,000 twice a month circulation.



The FARMER - STOCKMAN
OKLAHOMA CITY

NATIONAL REPRESENTATIVE - E. KATZ SPECIAL ADVERTISING AGENCY

FEBRUARY 1, 1938

THE OKLAHOMA PUBLISHING COMPANY
THE DAILY OKLAHOMAN
OKLAHOMA CITY TIMES

RADIO STATION WKY
MISTLETOE EXPRESS

[33]



Delineascope: This projector, product of Spencer Lens Co., Buffalo, N. Y., is used by Morse Twist Drill & Machine Co., New Bedford, Mass., to show tools, catalog pages, etc., to audiences of technical men. As illustrated, a tool may be inserted beneath the projector and is thereupon reproduced on a screen for all to see, not merely those closest to the lecturer. Color pages are reproduced exactly. Flexibility is another obvious advantage. Morse Co. salesmen arrange showings before factory groups.

Can You Blame the Space Buyer If He Fights List Changes?

Agent K-79 pursues his argument with Brass E. Tacks concerning certain phenomena in the buying and selling of advertising—with emphasis here on “publishers’ promotion.”

BY AGENT K-79

ONLY a very few publishers ever have penetrated the purposes of “publishers’ promotion.” With notable exceptions, “promotion” is regarded as the act of giving some of one publisher’s money to another publisher—a heresy to be stamped out with homicidal fanaticism.

That may seem like a crude exaggeration, but after nine years as the advertising agency counsel for a prominent group of publications, I speak from first-hand experience. All these years I have watched publishers dole out a few dollars for promotion as shamefacedly as a side-show barker being taken by a sidewalk pitch-man. Yet the simple fact is that good promotion gives the publisher more “over the transom” business year after year than the lineage his reps “sell.” To understand why you must know the workings of the agency man’s mind.

As Brass E. Tacks has found, once an agency man gets the idea he wants a certain publication on a list, no

amount of factual information will change his mind. Once his mind—and the list—is “made up,” he’s as stubborn as a mule about changing it. In fact, he regards any attempt to change his “list” as a personal affront—a reflection on his infallible judgment. Just dare to argue otherwise.

For the benefit of those who may have missed some of Mr. Tacks’ interesting articles on advertising, we list here the dates of the issues in which they have appeared: March 1, May 1, May 15, June 1, July 15, August 15, September 1, November 1—all in 1937, and January 1, 1938.

Agent K-79’s first reply appeared December 1.

What superior intelligence creates this paragon of perfection? Is it the result of deep study, careful weighing of many intricate indices, precise mathematical certainty? Sad to say, it’s quite the other way around.

In the average agency man’s mind, publications are neatly niched, lined up just as precisely as the bottles on a pharmacist’s shelves—each a specific for some particular sales ailment; each to be taken once a month or once a week, just as the doctor ordered. That may or may not be what the publisher intended, but it’s none the less irreducibly true. Publications are what the mystic pharmacopoeia of the Doctors of Space Buying say they are, regardless of facts.

How does a publication attain that happy position of “package goods” in a publishing world where so many are created but so few attain large lineage? Certainly not by the infrequent visits of “reps” who valiantly try to make four calls a day, 200 days a year “cover” several hundred prospects and their agencies. Quite the contrary. Publications become “package goods” in proportion to the character created for them by continuous, imaginative promotion. Facts and surveys help—but only to substantiate the clean-cut identity created by good promotion.

They’ve All Been “Typed”

For instance, you want to reach: Mentally - alert - people - with - better-than-average-incomes? *Time*. Bellwether sales to the people-other-people-copy? *New Yorker*. Men and women for the price of either? *Red Book*. Magazine color and newspaper influence? *This Week*. Sell the whole family simultaneously? *Comic Weekly*. Active people? *Collier’s*. And so on ad nauseum. . . . They’re all there, package goods neatly labeled by good promotion, or under-the-counter, bulk merchandise sold by word-of-mouth. You pays your money and you takes your choice. That’s the kind of a world the publishers have created.

If the magic of their printing presses has eclipsed the efficacy of word-of-mouth selling, publishers and their “reps” should be the last to protest. After all you can’t blame agency men if they occasionally are swayed by the very thing they are selling—advertising!

Does all this mean that the proper place for the space salesman is out on the farm taking care of superannuated firehorses? Not by any manner of means, Mr. Brass E. Tacks. There’s still many an honest pay check coming to the “reps”—of which more several weeks hence.

For Sale:

AMERICA'S BIGGEST SUBURBAN HOME MARKET

We offer you in one piece, one parcel, America's Biggest SUBURBAN Home Market. Let us briefly appraise the item up for sale:

Better Homes & Gardens pioneered the job of sifting and sorting America's Suburban-Home Market from The Great Mass. It wasn't interested in anybody who wasn't interested in home and garden. It set out to publish a uniquely-patterned magazine that was *all-home*; a magazine that would interest *both* husbands and wives.

Result? It editorially attracted and automatically selected the *largest single group* of home-owning, home-minded families in the nation!

Today Better Homes & Gardens is acknowledged the freshest and most authentic book in its field, as evidenced by leadership in home circulation: 1,700,000. Today Better Homes & Gardens offers you America's Biggest SUBURBAN Home Market. A market that is compact and complete. A market that is all meat. No waste. No water.

If your product belongs in a home, inside or out; if you are interested in women who wear wedding rings and in families who talk, eat, live and play in terms of *four* rather than *one*, Better Homes & Gardens is your straight path to America's Biggest SUBURBAN Home Market. It buys more John Homer-families-per-dollar than any other magazine in America! Meredith Publishing Co., Des Moines.

BETTER HOMES & GARDENS

REACHING 1,700,000 FAMILIES
AMERICA'S BIGGEST HOME MARKET

An All-time High for Hardware Age Circulation—

21,106 net
paid
as of December 30, 1937

(Previous high point was 20,955, Sept. 1929)

and it is high reader interest circulation, too,
as shown by its

79.11% Subscription
Renewal Rate

(for three years the renewal rate
has hovered about the 80% figure)

In 1937—

Of manufacturers using
national hardware papers

93% advertised in
Hardware Age
and

71% of these used
Hardware Age
only.

And

of all advertising published in
national hardware papers

Over
71% was placed in
Hardware Age

The circulation of Hardware Age follows very closely the distribution of hardware store sales. Both geographically, section by section, and by communities from the smallest towns to the largest cities the circulation of Hardware Age tests up in sound relationship to hardware sales.

Where the hardware business is THERE is Hardware Age — ready to act as your sales promotion emissary among wholesalers and retailers, buyers and sellers, in every part of the country.

Your advertisement entrusted to Hardware Age will attain practical saturation of the hardware trade, and under the most favorable auspices of live reader interest.

Let Hardware Age help you make your 1938 sales story a pleasant one.


A Chilton
Publication

HARDWARE AGE
239 West 39th Street, New York, N.Y.
A.B.C. • Charter Member • A.B.P.

Marketing

PICTOGRAPHS

Planned by Philip Salisbury,
Executive Editor, and designed
by The Chartmakers.

WHY DEALERS SHOULD CARRY FULL LINES

SMALL TOWNS NEED GREATER VARIETY

TOWNSPEOPLE AND FARMERS OF RICHLAND CENTER, WIS.
GIVE THESE AS THE THREE MOST IMPORTANT REASONS
WHY THEY TRADE IN OTHER CITIES:

LOWER PRICES



GREATER VARIETY



BETTER QUALITY



EACH REPRESENTS 2 %

SOURCE: DRY GOODS ECONOMIST 12/7/37

FULL LINES URGED FOR CITY STORES

THE THREE MOST IMPORTANT FACTORS INFLUENCING
CONSUMER SATISFACTION, ACCORDING TO SURVEY
OF NATIONAL RETAIL DRY GOODS ASSOCIATION:

ADEQUATE ASSORTMENTS



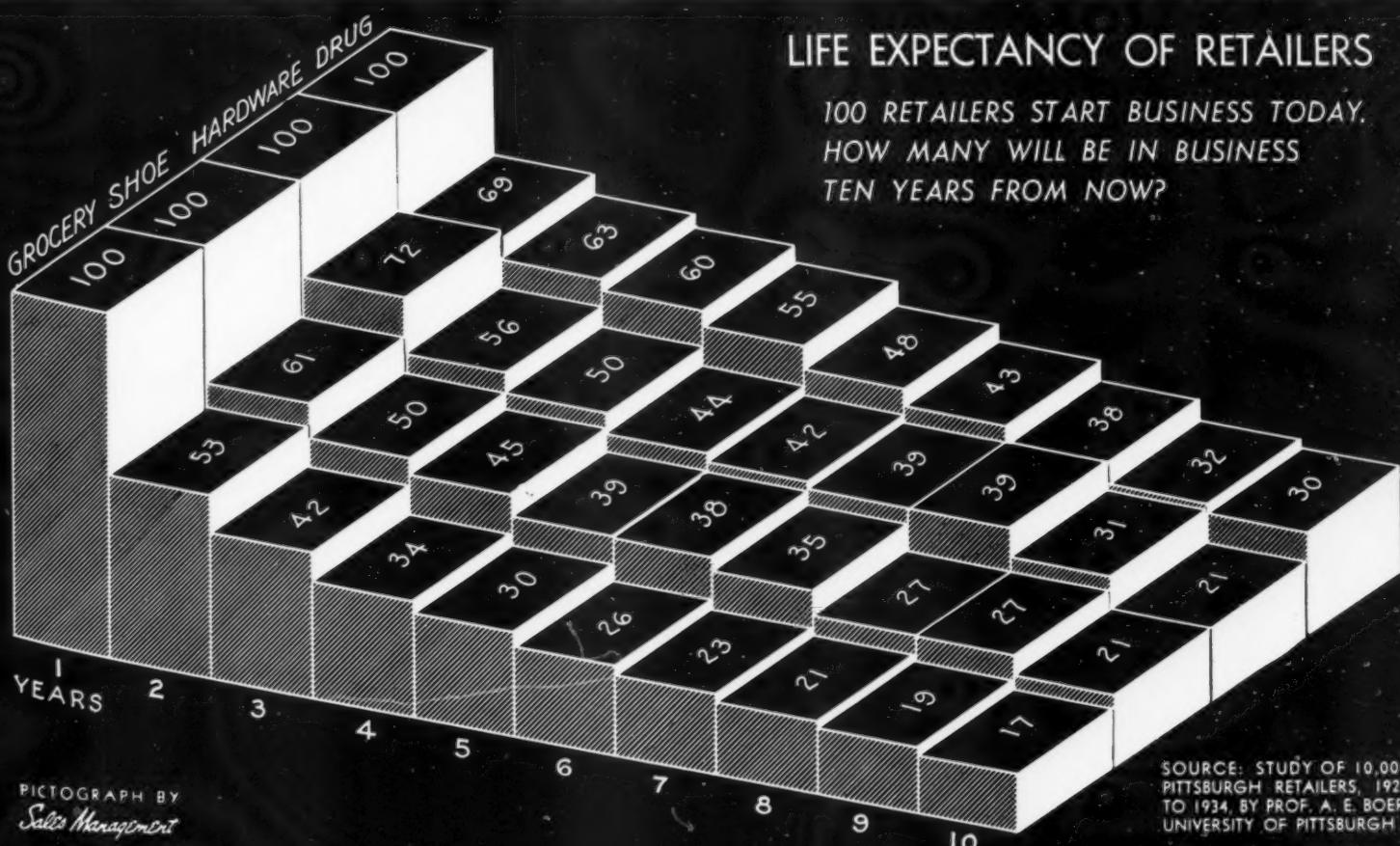
REASONABLE PRICES



DEPENDABLE QUALITY

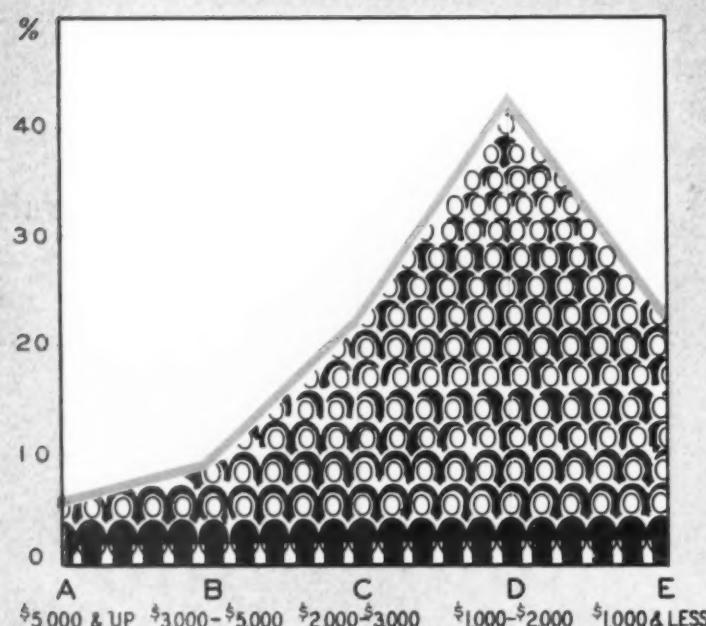


SOURCE: 1938 PROMOTION GUIDE OF
NATIONAL RETAIL DRY GOODS ASSOCIATION.



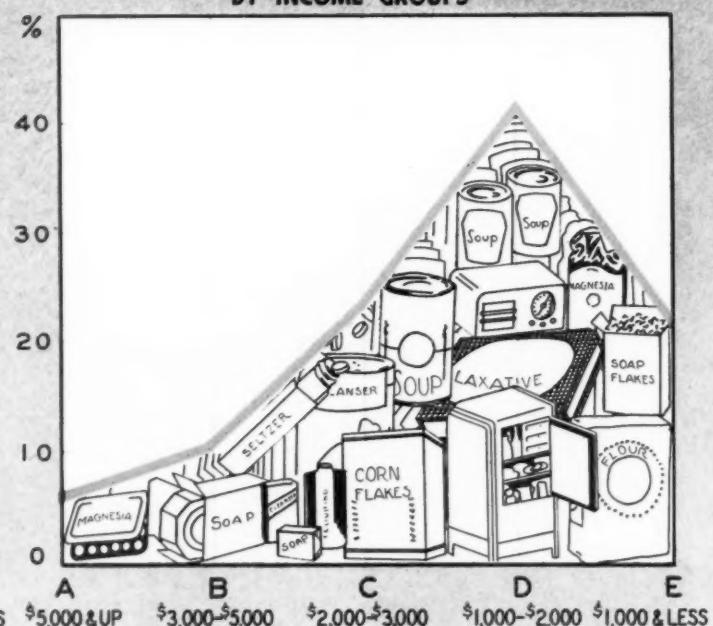
WHERE IS TODAY'S PRIMARY CONSUMER MARKET?

DISTRIBUTION OF URBAN FAMILIES BY INCOME GROUPS



SOURCE: MACFADDEN ESTIMATE 1937.

DISTRIBUTION OF CONSUMERS OF NINE BASIC COMMODITIES* BY INCOME GROUPS

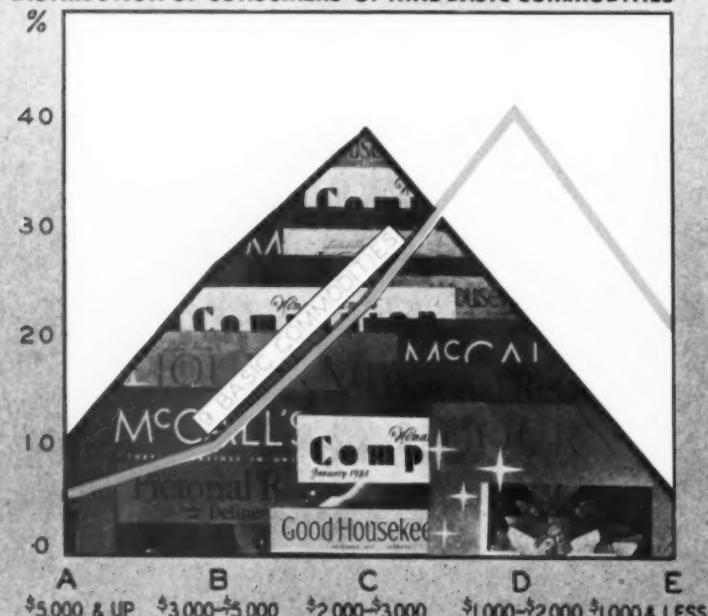


*NINE BASIC COMMODITIES INCLUDE: CANNED SOUPS, HOUSEHOLD CLEANSERS, BREAKFAST FOODS, SOAPS, FLOUR, LAXATIVES, RADIOS, MECHANICAL REFRIGERATORS.

SOURCE: CROSSLEY CONTINUOUS CONSUMER INDEX.

TO WHAT EXTENT DO THE MAJOR WOMEN'S MAGAZINES CIRCULATE TO THIS PRIMARY MARKET?

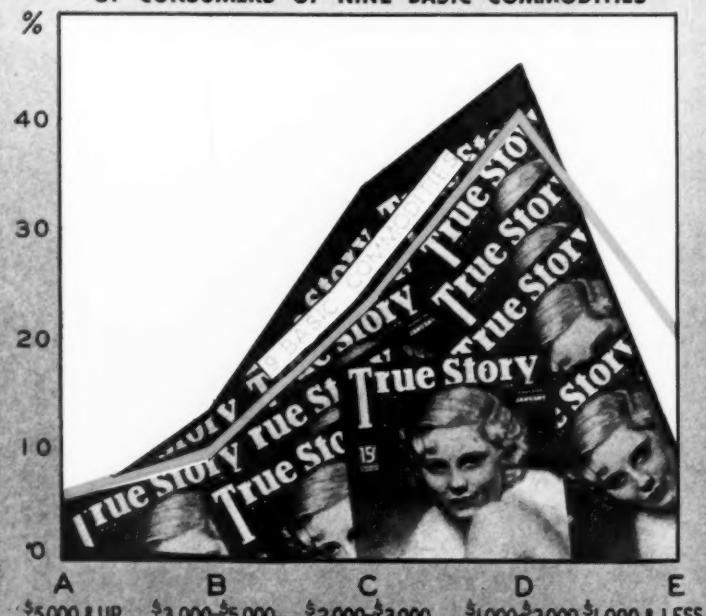
COMPARISON BY INCOME GROUPS OF CIRCULATION DISTRIBUTION OF 5 MAJOR WOMEN'S MAGAZINES* WITH DISTRIBUTION OF CONSUMERS OF NINE BASIC COMMODITIES



*GOOD HOUSEKEEPING, LADIES' HOME JOURNAL, McCALL'S, WOMAN'S HOME COMPANION, PICTORIAL REVIEW.
SOURCE: STARCH MAGAZINE EFFECTIVENESS REPORT.

CROSSLEY CONTINUOUS CONSUMER INDEX.

COMPARISON BY INCOME GROUPS OF TRUE STORY'S CIRCULATION DISTRIBUTION WITH DISTRIBUTION OF CONSUMERS OF NINE BASIC COMMODITIES



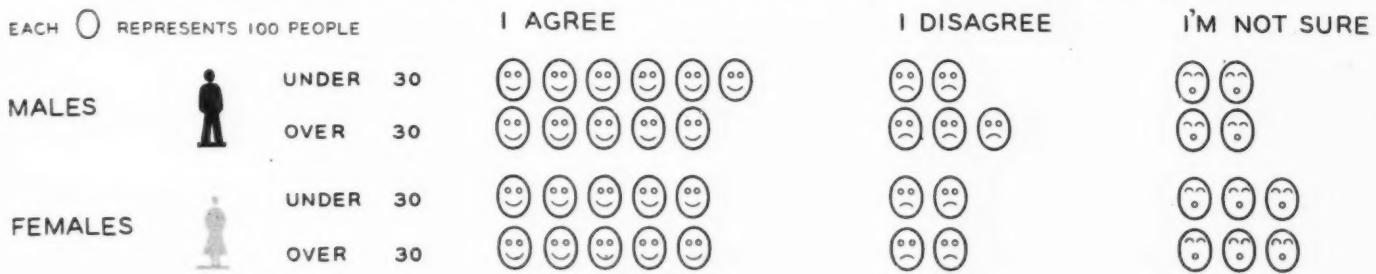
SOURCE: STARCH MAGAZINE EFFECTIVENESS REPORT.
CROSSLEY CONTINUOUS CONSUMER INDEX.

OF ALL MAJOR WOMEN'S MAGAZINES, ONLY TRUE STORY CONCENTRATES ITS CIRCULATION WHERE SALES ARE GREATEST TODAY. . . TRUE STORY, THE ONLY MAJOR WOMEN'S MAGAZINE FOUNDED SINCE THE CLOSE OF THE 19th CENTURY WHEN THIS MASS MARKET FIRST BECAME IMPORTANT AS A CONSUMER OF BRANDED MERCHANDISE IS THE ONLY ONE EDITORIALLY PATTERED TO REACH THESE MASSES. . . THE OTHER MAJOR WOMEN'S MAGAZINES CONTINUE EFFICIENTLY TO COVER THE WHITE COLLAR MARKET WHICH WAS ONCE THE MAIN MARKET FOR ADVERTISED GOODS.

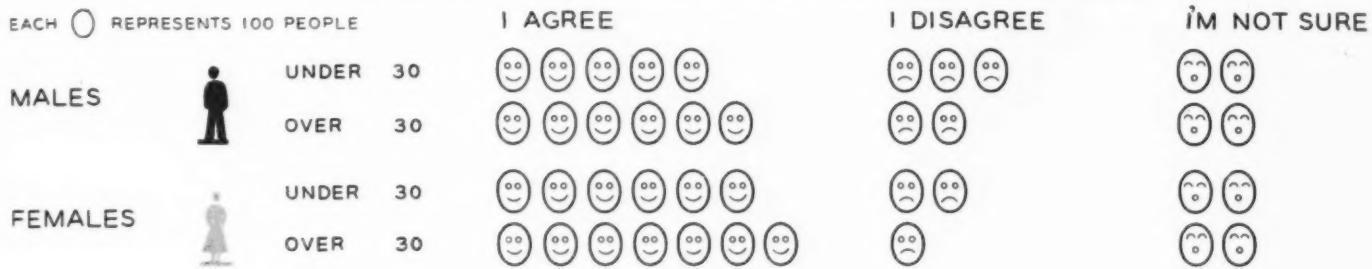
DO ADVERTISED GOODS COST MORE?

1,000 TYPICAL CONSUMERS WERE ASKED WHETHER THEY AGREED OR DISAGREED WITH THESE STATEMENTS:

"ONE PAYS MORE FOR ADVERTISED ARTICLES THAN FOR THOSE DISTRIBUTED WITHOUT ADVERTISING"



"A GOOD NAME ON A PRODUCT JUSTIFIES A SOMEWHAT HIGHER PRICE"



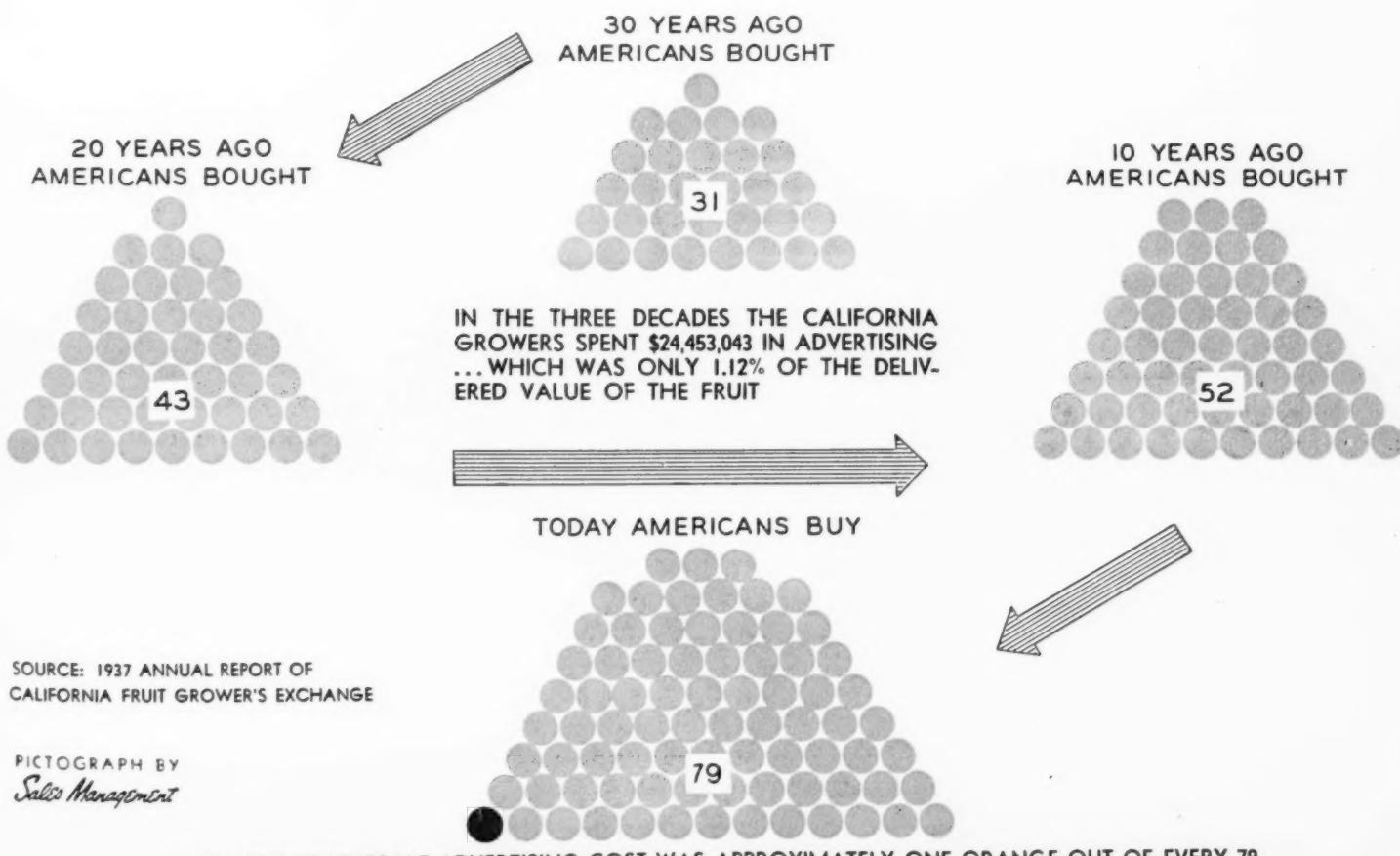
THEY MAY COST MORE BUT THEY'RE WORTH IT

PICTOGRAPH BY
Sales Management

SOURCE: ATTITUDE TEST MADE FOR SALES MANAGEMENT BY
MARKET RESEARCH CORPORATION OF AMERICA

WHAT ADVERTISING HAS DONE FOR ORANGES

ANNUAL CONSUMPTION PER CAPITA





Advertisements like these introduced the new STAR "Moly" blade in 1931. The advertisements were in color, many were bleed inserts, and exactly reproduced the blade in copper metallic ink.

....THEN A NEW CONTAINER

No. 26 in a series

of discussions of TYPICAL JOBS GOOD BUSINESS PAPER ADVERTISING HAS DONE . . . prepared by advertising agencies of wide experience in the use of business paper space . . . sponsored by these outstanding business papers:

BAKERS WEEKLY, New York
BOOT and SHOE RECORDER,
New York
BUILDING SUPPLY NEWS, Chicago
CHEMICAL & METALLURGICAL
ENGINEERING, New York
DEPARTMENT STORE ECONOMIST,
New York
ENGINEERING and MINING
JOURNAL, New York

FOOD INDUSTRIES, New York
THE FOUNDRY, Cleveland
THE IRON AGE, New York
THE JEWELERS' CIRCULAR-
KEYSTONE, New York
LAUNDRY AGE, New York
MACHINE DESIGN, Cleveland
MACHINERY, New York

MARINE ENGINEERING & SHIPPING
REVIEW, New York
THE PAPER INDUSTRY, Chicago
POWER, New York
RAILWAY MECHANICAL ENGINEER,
New York
RESTAURANT MANAGEMENT,
New York
SALES MANAGEMENT, New York
STEEL, Cleveland

GOOD BUSINESS PAPERS BUILD BETTER BUSINESS

INTRODUCING A NEW PRODUCT

When Clemson Bros., Inc. pioneered in 1931 with the first molybdenum steel hack saw blade and its copper process-patented finish, Business Papers exclusively introduced this new product to the industrial consumer, hardware jobber and hardware retailer.

When Clemson Bros., Inc. again pioneered in January of this year, with the first metal box for hack saw blades, Business Papers also exclusively carried the message.

Even though other manufacturers discounted the value of STAR "Moly" blades in 1931, their introduction through the Business Press led to acceptance and use, and caused most competitors eventually to adopt this new steel.

And again, through Business Press advertising, it is expected that the new metal box just introduced in 1938 will gain immediate acceptance and revolutionize the former practice of packaging hack saw blades in frail cardboard containers.

Advertising in good Business Papers most quickly assists the Sales Department in introducing a new product, finish or package by establishing direct contact with both users and buyers in industry—with both jobbers and retailers in the trade.

Oscar S. Tyson
O. S. TYSON AND COMPANY, INC.

ADVERTISING

Market Analysis
New York

Sales Promotion
Philadelphia



Advertisements like these are introducing the new STAR "Moly" metal box in 1938. The advertisements are in five colors, two being metallic inks which exactly reproduce blades and lithographed boxes.

O. S. Tyson and Company, Inc., believes in Business Paper advertising and its effectiveness. As proof, this agency has consistently advertised its own service throughout the past fifteen years. Since 1928 it has regularly used space in the Business Press—not missing even a single issue during the depression.

At the right is shown this agency's advertisement of the successful Clemson publicity of 1931; and below is shown how a leading industrial publisher told the same story in a double page spread.



.... both through BUSINESS PAPERS

HOW SMALL TOWN FOLKS SPEND THEIR INCOMES

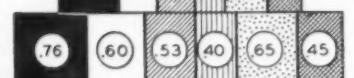
FOR EVERY \$1.00 SPENT BY FAMILIES IN THE MEDIAN (\$1,250 - \$1,499) INCOME GROUP, OTHER GROUPS SPEND:

INCOME GROUP

\$500 - \$749 PER YEAR



750 - 999



1,000 - 1,249



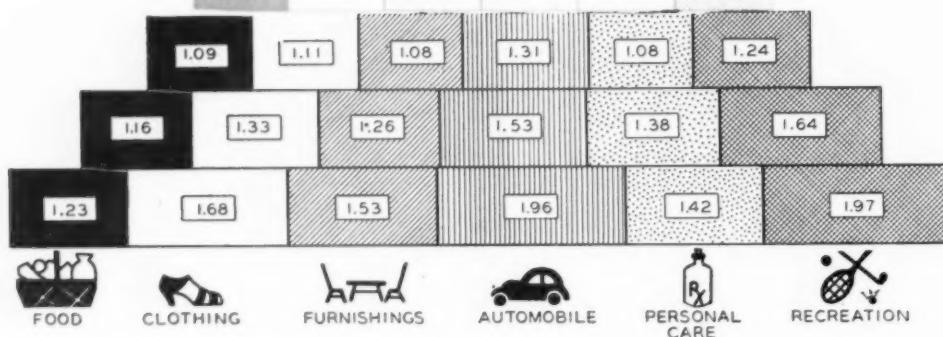
1,250 - 1,499 MEDIAN



1,500 - 1,749



2,000 - 2,499

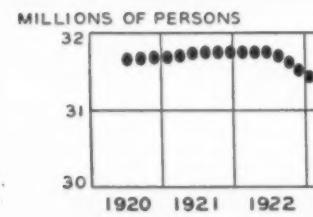
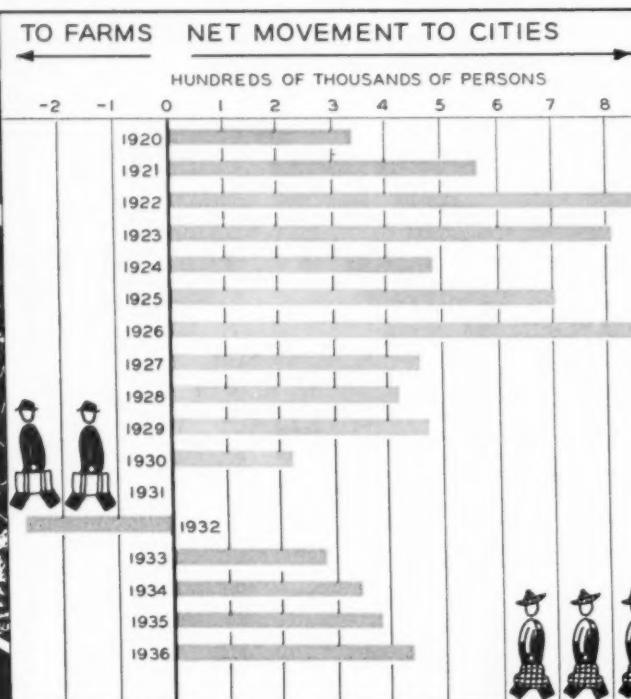


AS INCOME LEVELS INCREASE, SURPLUS GOES FOR AUTOMOBILES AND RECREATION

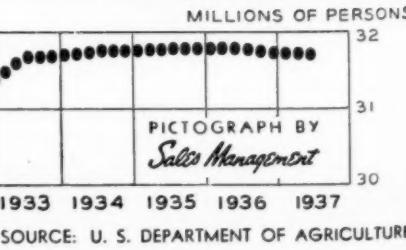
PICTOGRAPH BY
Sales Management

SOURCE: U. S. BUREAU OF HOME ECONOMICS STUDY OF 1936 INCOMES AND EXPENDITURES OF FAMILIES IN 46 EAST AND MIDDLE WEST VILLAGES

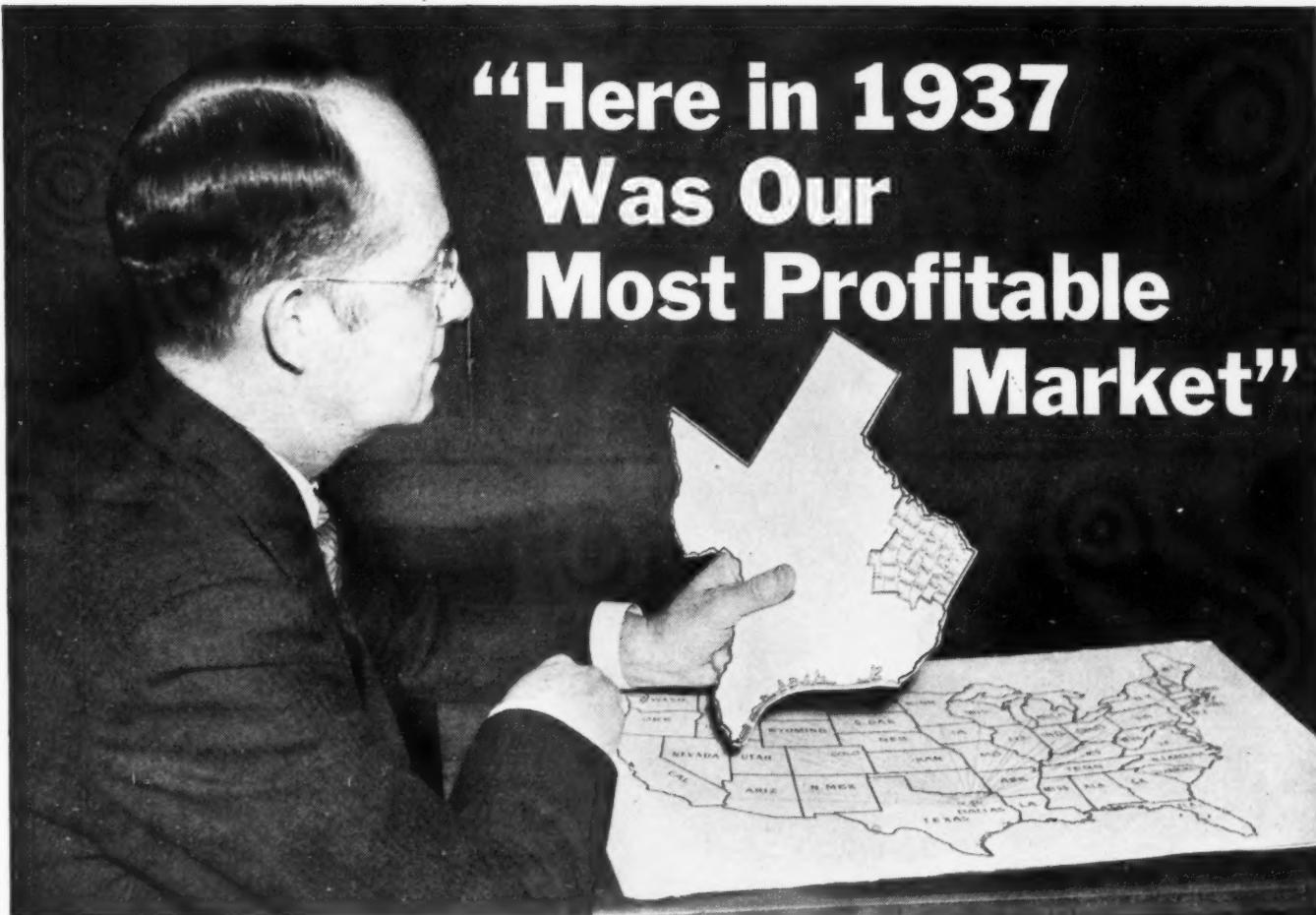
FARM POPULATION GROWS DESPITE DRIFT TO CITIES



FARM POPULATION
(AS OF JAN. 1)



SOURCE: U. S. DEPARTMENT OF AGRICULTURE



"Here in 1937 Was Our Most Profitable Market"

IMPORTANT money, by anyone's count, is \$1,942,661,000 (billions)! That's what came to Texans last year for their crops, livestock products, minerals (including oil) and manufactures.

About one-third of this total was produced in the Dallas immediate trade area—those 37 counties which do their heavy buying in Dallas. This block of Texas counties outranked many states last year in total value and volume of diversified products.

Far-sighted concerns, in contact with this spendable income, fared well in 1937, a good year the country over. Old Man Texas outpaced Uncle Sam in business gains.

1938, possibly not so promising from a national standpoint, will enhance the importance of this Texas business. It may well be your difference between profit and loss—in any event, well worth going after!

Let Texas' Leading Advertising Family Sponsor Your Texas Sales Plans

"Texas Major
Market News-
papers"

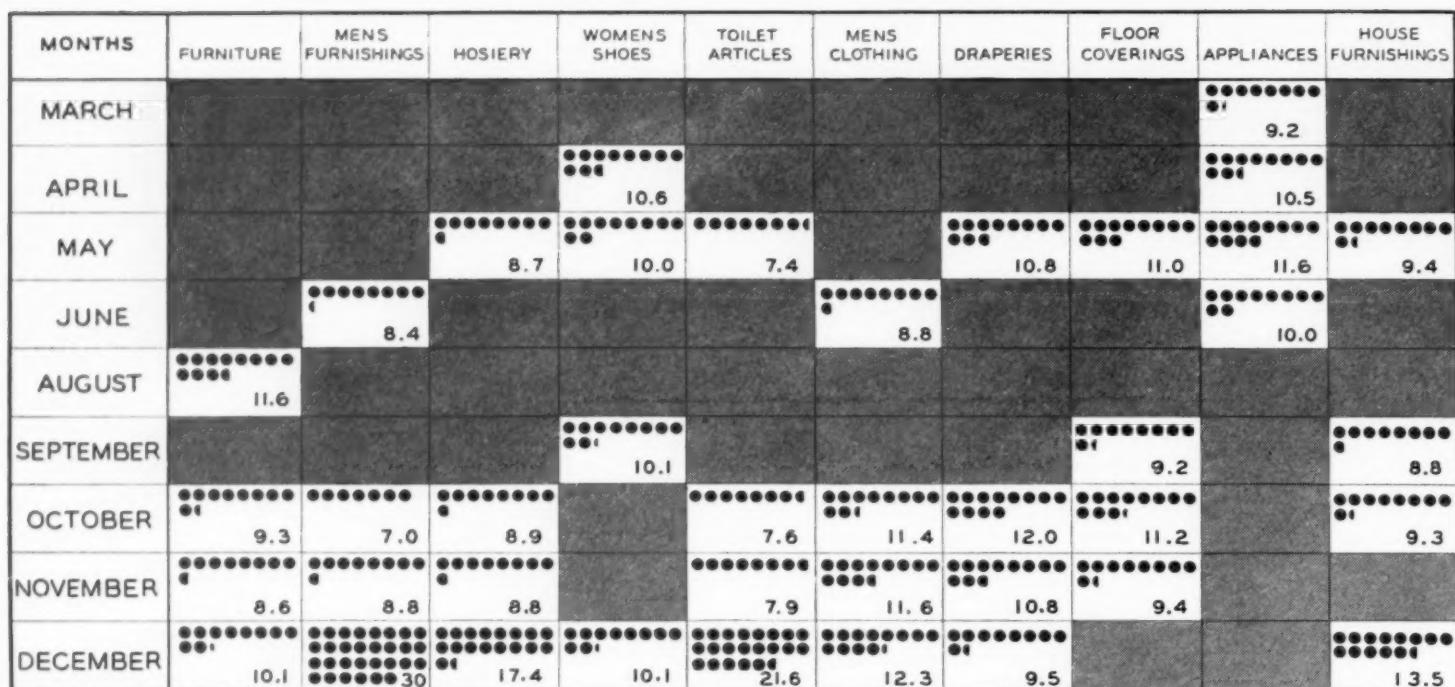
The Dallas Morning News
The Dallas (Evening) Journal

"Texas' Oldest
Business Insti-
tution"

Representatives: JOHN B. WOODWARD, Inc.

*Associates: The Semi-Weekly Farm News, The Texas Almanac and State Industrial Guide,
Radio Station WFAA (50,000 watts)*

THESE ARE THE FOUR BIGGEST MONTHS OF THE YEAR FOR STORE DEPARTMENTS



LEGEND: FIGURES ARE PERCENTAGE OF YEARS VOLUME EACH SYMBOL ● REPRESENTS 1%

CONSTANT YEAR 'ROUND PROMOTION IS ESSENTIAL... BUT PROMOTION PEAKS SHOULD COINCIDE WITH PEAK CONSUMER BUYING MONTHS

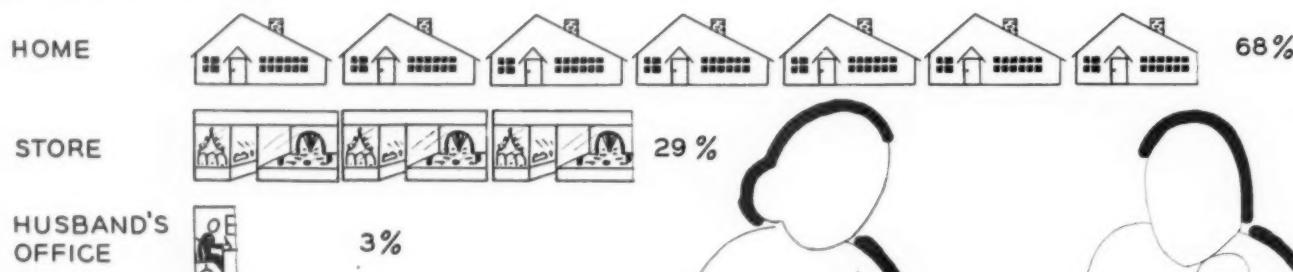
PICTOGRAPH BY
Sales Management

SOURCE: 1938 PROMOTION GUIDE OF NATIONAL RETAIL DRY GOODS ASSOCIATION.

FAMILY CONFERENCES MOTIVATE BUYING

IF YOU WISH TO SELL MORE SHOPPING GOODS FOR FAMILY USE, SUCH AS ELECTRIC REFRIGERATORS, SELL BOTH THE HUSBAND AND THE WIFE

WHERE SALE IS CLOSED



WHO INFLUENCES THE BUYING



PICTOGRAPH BY
Salt's Management

SOURCE: ANALYSIS OF 1,000 SALES OF GENERAL ELECTRIC APPLIANCES BY W. D. GALPIN

DEPARTMENT STORE *Economist*

Offers

**THE MOST DIRECT
PATH TO DEPARTMENT
STORE SALES**

- A store's profit comes from merchandise in movement. The purpose of the DEPARTMENT STORE ECONOMIST is to aid owners, executives and merchandise department heads in buying the right merchandise—moving it to the consumer at a rate which conserves its maximum value—at a movement cost which, from market to consumer, is less than sales income and, hence, returns a *net profit*.
- In an era of change, when the fixed stars of yesterday are clouded or obscured, it is the purpose of the DEPARTMENT STORE ECONOMIST to aid merchants in charting a profit course by carefully checking and reporting the successful navigating of others.

The greatest circulation coverage offered to today's advertiser by any business publication in the department store field

30,000 CONTROLLED CIRCULATION
going to major executives, merchandise managers and major department heads exclusively. . . . Reaching twice each month the key people in the third largest retail market in the United States...penetrating not alone to the buyer, but to the top men and women whose OK is the all important source of the buyer's authority.

DEPARTMENT STORE ECONOMIST

239 WEST THIRTY-NINTH STREET, NEW YORK CITY

Chestnut at 56th Streets
Philadelphia

901 American Bank Building
Pittsburgh



1161 Merchandise Mart
Chicago

444 Market Street
San Francisco

AS ATTRACTIVE AS A "QUALITY" MAGAZINE...AS FAST READING AS A GOOD NEWSPAPER...
AS BRIEF IN TREATMENT AS A NEWS DIGEST...AS UP TO DATE AS TODAY'S TELEGRAM.

AMERICAN FAMILIES BUY 1½ NEWSPAPERS DAILY

5 P. M. Deadline for New Year's Plates

Business

NUMBER OF DAILY NEWSPAPERS PER 1,000 FAMILIES	
U. S. A.	1,330
NEW ENGLAND	1,726
MIDDLE ATLANTIC	1,776
EAST NORTH CENTRAL	1,400
WEST NORTH CENTRAL	1,266
SOUTH ATLANTIC	986
EAST SOUTH CENTRAL	686
WEST SOUTH CENTRAL	1,008
MOUNTAIN	940
PACIFIC	1,421

PICTOGRAPH BY
Sales Management
WASHINGTON

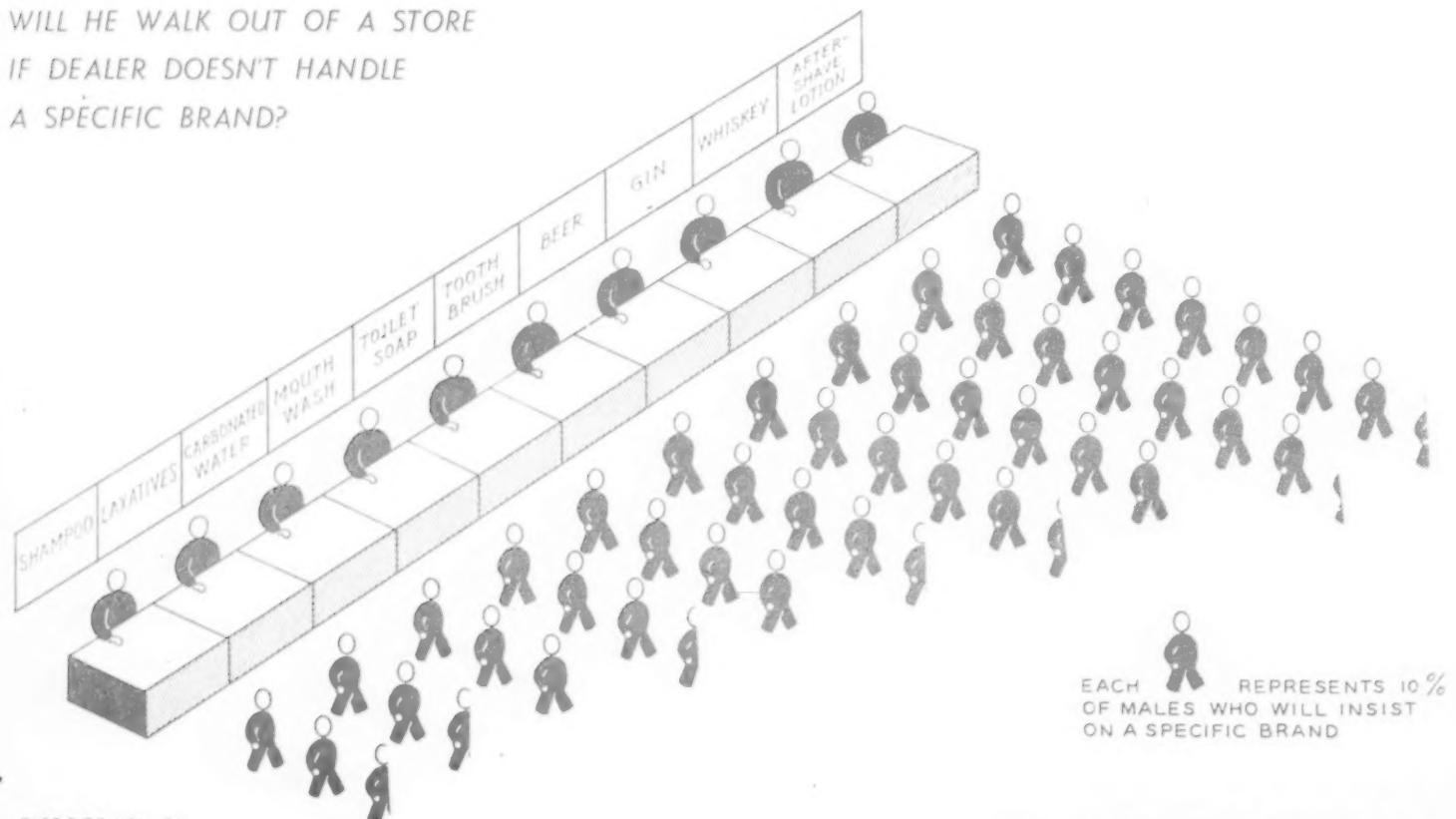
SATURDAY, JANUARY 1, 1938

Morning KANSAS CITY STAR

SOURCES: 1930 POPULATION; AND
STANDARD RATE AND DATA FIGURES

HOW BRAND CONSCIOUS IS THE AVERAGE MALE?

WILL HE WALK OUT OF A STORE
IF DEALER DOESN'T HANDLE
A SPECIFIC BRAND?



PICTOGRAPH BY
Sales Management

SOURCE: SURVEY MADE FOR SALES MANAGEMENT BY
THE MARKET RESEARCH CORPORATION OF AMERICA

Some Comments on the Pictographs in This Issue

Why Retailers Should Carry Full Lines and Life Expectancy of Retailers; The first Pictograph is designed for us by manufacturers' salesmen and SALES MANAGEMENT will be pleased to extend reproduction rights for house organs and portfolios. Here you find evidence from both small-town consumers and big-city department store owners of the importance of carrying adequate assortments and a good variety. The bottom Pictograph is of broad general interest and has special meaning to credit managers.

Do Advertised Goods Cost More and What Advertising Has Done for Oranges: Despite all the agitation on the "waste" of advertising, the consumer continues to feel that a good name on a product justifies a somewhat higher price; the low cost of advertising on essential products is dramatized by the piles of oranges—the advertising cost being one orange out of 79.

How Small-Town Folks Spend Their Incomes and Farm Population Grows Despite Drift to Cities: The importance of considering *people* as markets rather than *places* is driven home by this income chart which shows startling differences between expenditures in the low-income and high-income brackets. The seeming paradox of constant drift from farms to cities and increasing farm population is explained by the higher birth rate on farms.

These Are the Four Biggest Months of the Year for Store Departments and Family Conferences Motivate Buying: Records of the NRDGA show the top months for consumer buying in all departments. Here are shown the big months for ten of the leaders. Do they coincide with your big consumer promotion months? GE, through a detailed follow-up of appliance sales, finds that on shopping articles for family use it is essential that both wife and husband be sold.

American Families Buy 1 1/3 Newspapers Daily and How Brand-Conscious Is the Average Male? The United States turns out more newspapers than any other nation, but there are striking variations among the nine geographic districts; the success which some makers of men's products have achieved in making men demand their products, as against relative indifference in other lines, shown by second Pictograph.

FEBRUARY 1, 1938

How Do YOU WEIGH MARKETS?

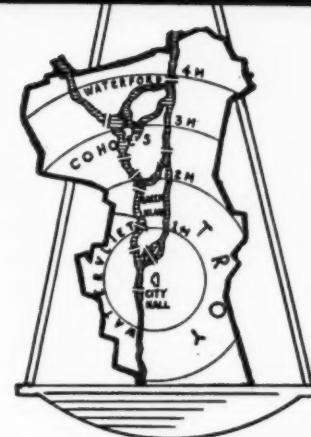
TROY MEETS EVERY TEST:

- **Size**
- **Sales**
- **Coverage**
- **Cost**

SIZE—Does size carry greatest weight when you're picking markets? Then Troy, with its A.B.C. City Zone population of 119,324 consumers (all within a 4-mile radius of Troy's retail shopping section), fits the bill.

SALES—If it's dollar volume, the Troy City Zone's annual retail sales of \$38,896,000 hold their share of business and profit for you.

COVERAGE—Does the degree of coverage and number of media required influence you? Only one



medium is needed in Troy because The Record Newspapers, the city's sole dailies, go into virtually all the 30,738 City Zone homes.

COST—Assuming all other requirements are met, is cost the deciding factor? Then you'll be sure to add Troy to your list: for only 12¢ a line you get complete coverage here, making Troy the Empire State's lowest cost major market.

That leaves a greater margin of profit for you!

THE TROY RECORD
THE TIMES RECORD
THE RECORD NEWSPAPERS
MORNING
EVENING
J. A. Viger,
Advertising Manager



Here it is February, the shortest month of the year. And, if it turns out to be the regulation February of snow and slush and sleet and mustard-plasters, it can't be too short for most of us.

Here it is February, as I said, and so far no picture-magazine has been published under the name, "Squint."

Gordon Page sends in a fast one: "Finance is fiance to the Nth degree."

The manager of the Armco band was explaining the silver cornet to the account executive. "This is the lyre that holds your music when you're parading," said the band-man. "Yes," piped up a chap who used to toot a horn in the Sells-Floto Circus band. "That's the thing that makes you cross-eyed as you march along." "Ah, yes," said I, who up to this point had taken no part in the conversation, "a cock-eyed lyre!"

What Cowper said of a tale applies equally to good copy: "A tale should be judicious, clear, succinct; its language plain, its incidents well linked. Tell not as new what everybody knows. But, old or new, still hasten to a close."

I used to say that you could do a lot with punctuation. For instance, see the changed meaning when you write it: "Ask the man: 'Who owns one?'" Col. Stoopnagle had the same idea when he asked: "Where will it get you? In the end?"

Shuron Optical's Al McCoy thinks Life Savers could do something with the phrase: "In the name of all that's good and hole-y."

In a copyrighted brochure, the Henrichs Press of Litchfield, Ill., offers a "Revised list of men who cannot be influenced by friendly publicity." The list: Napoleon, Columbus, Caesar, Socrates, Noah, Pharaoh, Methuselah, Moses, Adam. We are indebted to R. H. Clough for sending it along.

Ken Slifer, a bright boy from Bucknell, who grew up to write the Ford

account, is building a house. The property contained some fine old larch trees which had to be cleared away. Ken says he is thinking of calling the house "Fallen Larches."

E. J. Meehan, of the South Bend *Tribune*, reports a sign on the State Theatre of that city featuring a double bill:

ON SUCH A NIGHT SHE'S NO LADY

He wonders if it refers to Mae West's broadcast which created such a stir a while back.

Maybe those McCallum stockings with the fancy "clocks" should be called Watch McCallums.

Mallory Welding gets a good headline out of the marriage ceremony: "What Mallory hath joined together . . ."

And Corning Glass didn't do so badly with that headline on the ad showing a woman with a clinical thermometer: "The little glass tube that knows more than Mother."

Both the headlines just quoted are from *Fortune*. There's something about that publication which challenges us who Make the Headlines.

Speaking of lines, I wish the steamship lines would lay off those tantalizing invitations to the West Indies about this time of year. How can a sea-loving guy keep his mind on his work?

"Right down my alimentary!" I heard a guy saying, as he gulped Bovril.

Macy's, New York department store, is promoting an imported champagne under the monicker, "Etoile Rouge." That would be Red Star, if you remember your Army French, and Red Star has been Macy's trade-mark for years. Even simple names take on glamour when translated into a foreign tongue.

Miriam Lewis says that if Congress Cigar is running the biggest word-of-

mouth campaign for La Palina cigars, as recorded here, they should hire "Joe E." and do things up "Brown." Further on La Palina, she thinks Charlie McCarthy does quite a few lap-a-lines himself.

On the other hand, Big Ben doesn't sound so cheerful on the morning after a Big Bender.

Their response to the Biblical injunction to "Cast thy bread upon the water," qualifies some chaps for a job with the National Broadcasting Co.

"Cannon's first-aid to strained budgets is a welcome sales policy," says the copy. A cannonade, huh?

In Palestine, it would probably be the Philco Radio & Tel Aviv Corp.

And I suppose that when anyone telephones Dorothy Lamour, of the fillums, a voice answers: "Sarong number."

No goose will lay a golden egg while some one is squeezing her ribs.

Lew Conarroe says we all have the bare necessities of life; what we need is some decent clothing to cover them.

Sell spots a stopper used by a California bank: "When you're feeling loansome."

I suppose ghost writers only work when the spirit moves them.

Definition: It's "long copy" when you keep on talking *after* you have told your story.

Advertising is often a fatuous, fat-headed thing. I am reminded of this anew by a color-page in a women's mag. Two men and two women are at the refrigerator, examining some cans of tomato juice. The entire party is laughing itself sick. You'd think some one had just recited the limerick about the young lady from Brewster. Or maybe they'd all had some double Martinis before going to the kitchen. Tomato juice ain't *that* funny.

Well, sir, Woodbury's has dug up another advertising ailment: "Seborrhea." It's the excessive oiliness that causes shiny nose.

Campbell and Heinz battling for SOUPremacy. Dumb pun, eh, Boss? T. HARRY THOMPSON

Safeway Stores, Inc.
Oakland, California

FAMILY CIRCLE MAGAZINE QUESTIONNAIRE

Store No.
District.
Manager's Name.
Supervisor's Name.

Important: Fill in and return Saturday night, Sept. 18th SURE. Return to your District Office.

CHANGE IN SCHEDULE

STORE MANAGERS.

It takes approximately six weeks to put into effect any changes in circulation. It will therefore be necessary for you to anticipate your requirements. Any change asked for will not be effective until about the November 5th issue.

When answering question No. 5 please keep in mind that under no circumstances should you STUFF the magazine in with customers' orders. Order enough copies to supply the demand of those customers who either pick up or ask for their copy, and a sufficient number of extra magazines to **present to new customers** or to customers you want to become interested.

Your careful attention in answering the following questions will be very helpful in securing and maintaining a uniform and efficient distribution.

1. How many customers do you now have on an average Friday and Saturday combined? (Give exact figures.)
 2. How many magazines did you receive for issue of September 17th?
 3. According to your understanding, is this the amount you are supposed to receive?
 4. How many magazines, if any, do you have left over each week?
 5. How many magazines would **you** order each week to take care of your customers?
 6. What is the reception given the magazine by your customers at the present time? (Give your honest opinion, as this is our best method of getting your reaction as well as public opinion.)
 7. Any criticism or suggestions?

DISTRICT MANAGERS: (This space to be filled in by District Managers.)
Based on the above information, how many magazines do you feel this store should receive?

THIS QUESTIONNAIRE is but one of several checks to minimize waste and insure effective distribution of **The Family Circle**. Others are frequently made by supervisors and managers. At their request, orders are changed to match demand.

N.B. After Friday and Saturday distribution

The Family Circle Moves **FAST!**

95.8% of Western Edition is in the hands of active buyers within two days after The Family Circle is released, according to 2,620 store managers.

The questionnaire at left was sent to all managers of Safeway Stores. Similar questionnaires are sent to these managers every six months. At frequent intervals between the semi-annual check-ups, supervisors revise the number of magazines each store receives—to minimize waste and insure proper distribution. Stores distributing **The Family Circle** pay for each copy—naturally want distribution to be effective. The latest questionnaire check was made in the week ending September 18, 1937.

It showed how demand for **The Family Circle** is increasing—upped our Safeway (Western) Edition 30,650 copies to a new high of 974,000!

It showed that **The Family Circle** moves out of the stores rapidly—that 95.8% of the magazines are in the hands of active buyers by Saturday evening, with four shopping days left before the next issue is released.

It showed reader-customers' opinions of **Family Circle**, as reflected in comments by managers.

We will gladly send you the complete survey—it includes all the managers' comments exactly as written.

In a check of the Fisher Bros. (Cleveland) Edition, supervisors found only 3.4% of the total circulation left over on Saturday night. 96.6% of the Family Circles are distributed Friday and Saturday!

THE FAMILY CIRCLE MAGAZINE

The Family Circle, Inc., Raymond-Commerce Bldg., Newark, N. J. • Represented by The Family Circle Magazine, Inc. • New York • Chicago • San Francisco



Courtesy Forbes Lithograph Mfg. Co.

These inserts promote confidence, present new uses, sell.

A Check List of 23 Uses for Package Inserts

This neglected advertising medium can pack plenty of sales punch if you learn how to use it.

PACKAGE inserts are not treated by most companies as potent sales builders, a survey of several hundred advertised products indicates, but rather as something the shipping clerk sticks in to prevent breakage.

Package inserts are a direct, essentially economical method of advertising. In every other medium there is a distribution cost involved. Publications, radio stations and all other mediums must include in their rates the cost of *transporting* the advertiser's message, but with package inserts the consumer pays all the freight. There is no waste—unless the goods do not sell, in which case the advertiser goes broke anyway.

Though tens of millions of inserts are enclosed with packages each year, there seems to be a disconcerting lack of efficiency and effectiveness in the general use of this small but vital unit. They are not treated with the degree of creative planning which is applied to other forms of sales promotion material.

Perhaps this is due to the fact that in the general routine the package insert becomes a packaging item, and, as such, remains more of an item for the production department than an active sales and promotion agent.

What is a package insert, anyway? What is it, indeed, but an opportunity

to address a message directly to an actual user of your product?

And don't forget that you fought to win that user. In some way you convinced that person that your product was the right product for the purpose. You must keep him or her sold on that idea, to offset the influence being brought to bear by your competitors with the same merchandising means you have employed. The package insert affords that opportunity.

In a package insert you have three-fold economy—economy in cost, economy in use and the ultimate in economy in distribution. Because of

its size and the quantity to be used, the cost per unit is extremely low. In the matter of use—insertion in the package—that operation is not a costly one and, in many cases where the product is packed by automatic machinery, the insert can be designed to be inserted automatically. As regards distribution, the cost is nothing. The package insert rides in the product package and adds nothing to the cost of transportation on that package.

Positive delivery—no waste in circulation—is another important advantage to be considered. The insert is contained in the package and arrives with the package. It must be seen by a user of your product as it must be removed—handled—before the product is used.

Another vital advantage in the package insert is that it is not fighting competitive interests. There are no interesting news items—no absorbing stories—no competitive advertisements present when the package insert makes its bid for attention. It arrives at a moment when the only interest is the accurate and proper use of your product—at a moment when the paramount desire is to attain a certain perfection of accomplishment—be it making a tempting cake, the alleviation of pain, the acquirement of alluring daintiness, or any one of a multitude of every-day acts.

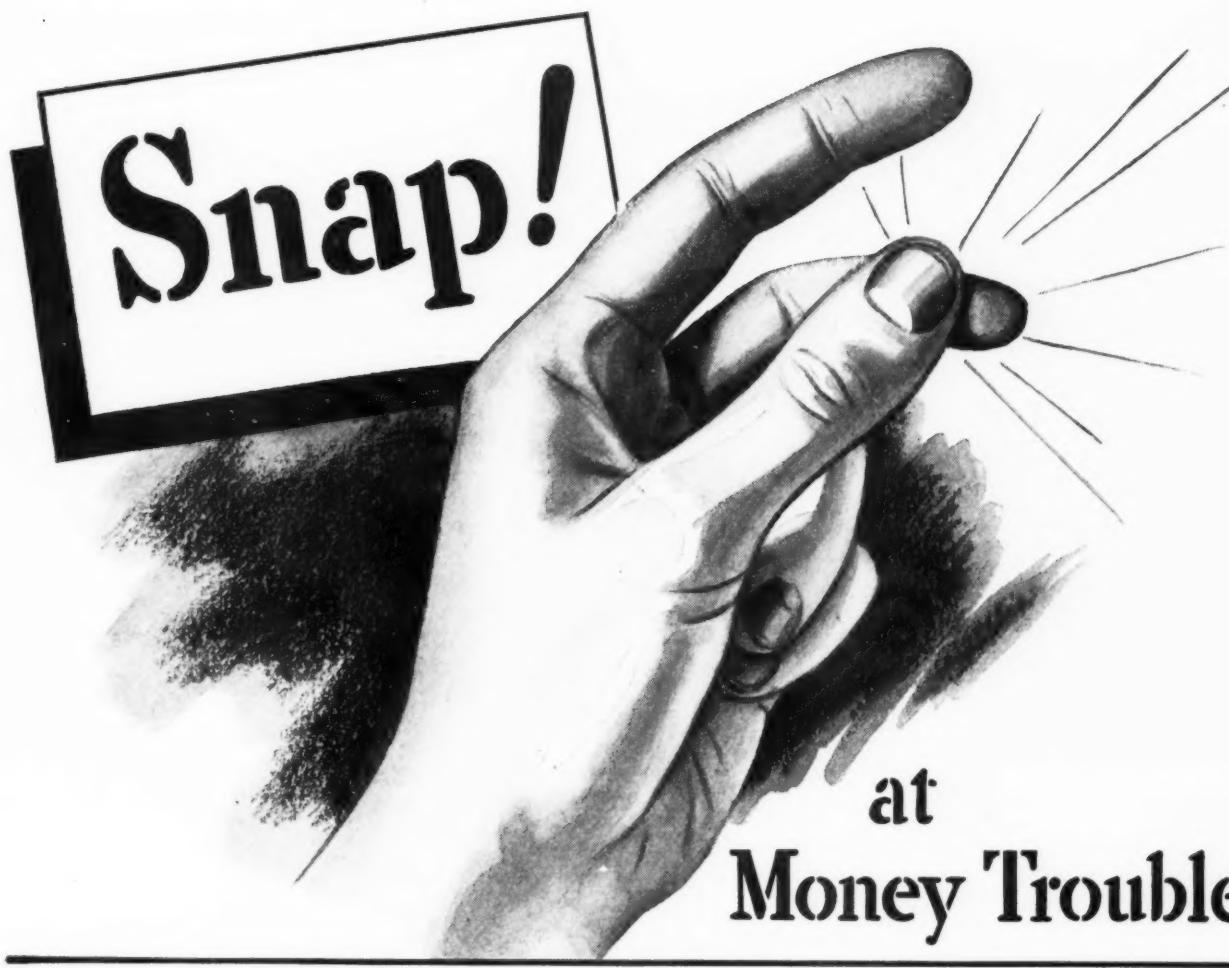
The functions of the package insert are legion. Here are some of them:

1. Giving directions for the proper use of the product, by copy and illustration; building good will and insuring satisfaction and continued patronage.
2. Indicating other uses and recipes for the product, thus inciting greater use of the product.
3. Presenting the product guarantee; fostering consumer confidence.
4. Introducing a new product—to a satisfied customer.



Courtesy Forbes Lithograph Mfg. Co.

... And these appeal to the collector in every child.



Snap!

at
Money Troubles

Keep capital liquid, credit high with controlled collections and limited loss

NOW your business can be flexibly financed—you can control your cash position at will, and at short notice—and you can limit possible credit losses to a small definitely agreed percentage. All this and your customers are *not notified!*

With the introduction of the LIMITED LOSS feature, we have made the discounting of accounts receivable not only the most flexible and economical form of modern industrial financing, but also added a strong protective factor that

fits in with the most conservative management.

Hundreds of substantial concerns use this sound method of maintaining a strong cash position and high credit rating.

If you need cash to meet pay rolls, to discount your bills payable, to buy raw materials at lowest cash prices, or for other sound business reasons, investigate the advantages of this flexible, economical plan.

★ Why not give us an opportunity to explain? A personal interview will give you a better, quicker understanding. Our representative will keep any appointment at your convenience.

COMMERCIAL CREDIT COMPANY

BALTIMORE

NEW YORK CHICAGO PORTLAND, ORE. SAN FRANCISCO

5. Describing and illustrating other products, or the complete line.
6. Quoting testimonials—and inviting testimonial expressions.
7. Announcing combination offers.
8. Securing the names of other prospects by providing a form to fill out: "Free samples for your friends."
9. Emphasizing special patented or unusual product features.
10. Describing product ingredients; again fostering consumer confidence.
11. Offering to answer queries relating to some specific subject, such as personal toilet, etc.
12. Inviting suggestions for improving product.
13. Inviting suggestions as to new and additional uses of product.
14. Supplementing instructions on package by repeating in different languages.
15. Offering and explaining premiums, booklets, samples, etc.
16. Calling attention to, and describing, radio program.
17. Presenting scientific facts on subjects closely allied to the use of the product, such as proper health, practices, etc.
18. Effecting an important tie-in with national advertising.
19. Describing policies, operations and other features of the company behind the product; a real public relations job can be done here.

To Win Child Interest

20. Catering to child interest; some smart merchandisers present their package insert as an item that appeals to the universal trait of acquisition inherent in youngsters—the desire to collect and to trade.
21. Building consumer mailing lists through enclosure of return post card.
22. Building sales for tomorrow by including pictures, cut-outs, small toys, etc., for children.
23. Selling service contracts on mechanical appliances.

If you have a child you are probably familiar with the unique sales builder used with Dixie ice cream cups which are distributed by a leading ice cream company in most cities. The old Castoria slogan, "children cry for it," is true when applied to Dixie cups, which have pictures of movie and sports stars on the inside of the cover. When the child collects 16 of these pictures, by buying or swapping, he can go to a store and get a folder with slots like coin cards, and an enlarged lithograph of his favorite star. When he has accumulated 12 sets of each he

gets a loose-leaf portfolio in which to keep the collection.

We cite the Dixie case as a striking example, not only because it is an outstandingly successful promotion scheme, but because the "insert" itself is big-scale advertising at practically no cost. The "insert" is a part of the package itself.

The Charles B. Knox Gelatine Co. has used package inserts since 1893. The current series offers a variety of recipes, lists several recipe books which users may have free, shows the housewife how to make the family like left-overs, gives "inside facts" as to why Knox is best, et cetera.

Don't Try to Do Too Much

Church & Dwight a good many years ago devised an insert which will not die. Nor can they kill it. After packing "Useful Birds of America" cards with their baking soda for some 30 years, they added a pouring feature which eliminated the possibility of enclosing the card within the package. Demand for the cards persisted to such an extent that they are now distributed in response to requests, and coupons from advertisements.

Goudey Gum Co. distributed more than 300,000,000 cards with Indian, baseball and aviation pictures. At first one picture was given by the dealer for every two wrappers turned in by children, but later one picture was given out with each purchase.

In the list of 23 functions—and it's not a complete list, by any means—you have an imposing list of jobs that can be done, and done well. But, and this can't be stressed too strongly, don't make the mistake that many are making—don't expect a package insert to do too many jobs at one time. Keep it simple, direct, fast-reading, colorful and interesting. This brings us to the matter of design.

Before jumping right into consideration of design, however, let's hark back to one of the advantages of the package insert—the fact that you're addressing a user of your product. You're in today because that person has become convinced that your product offers the best means of attaining an end. You may be out tomorrow if you don't woo continued patronage by one or more of the means listed above as "functions." This is a real merchandising effort, because you have competitors, and those competitors are doing everything they can to "muscle in" on the good graces of your customer.

However, the maximum success will attend this merchandising effort only if your package insert, by its at-

tractive layout, colorful design and faithful reproduction of product and story, is convincing evidence that your product is the product that will give the best results.

In planning and designing a package insert the same elements should be incorporated that go into your other advertising material to provide stopping-power, retention of interest and convincing argument. Consider, if you will, how many inserts you have removed from packages containing products that enter into your everyday habits. How many have caught your attention, invited your interest and influenced some degree of positive reaction? Immediately you will recognize the unfortunate "sameness" that prevails in most cases. No atmosphere suggesting "I'm new—I've got a new story for you to read."

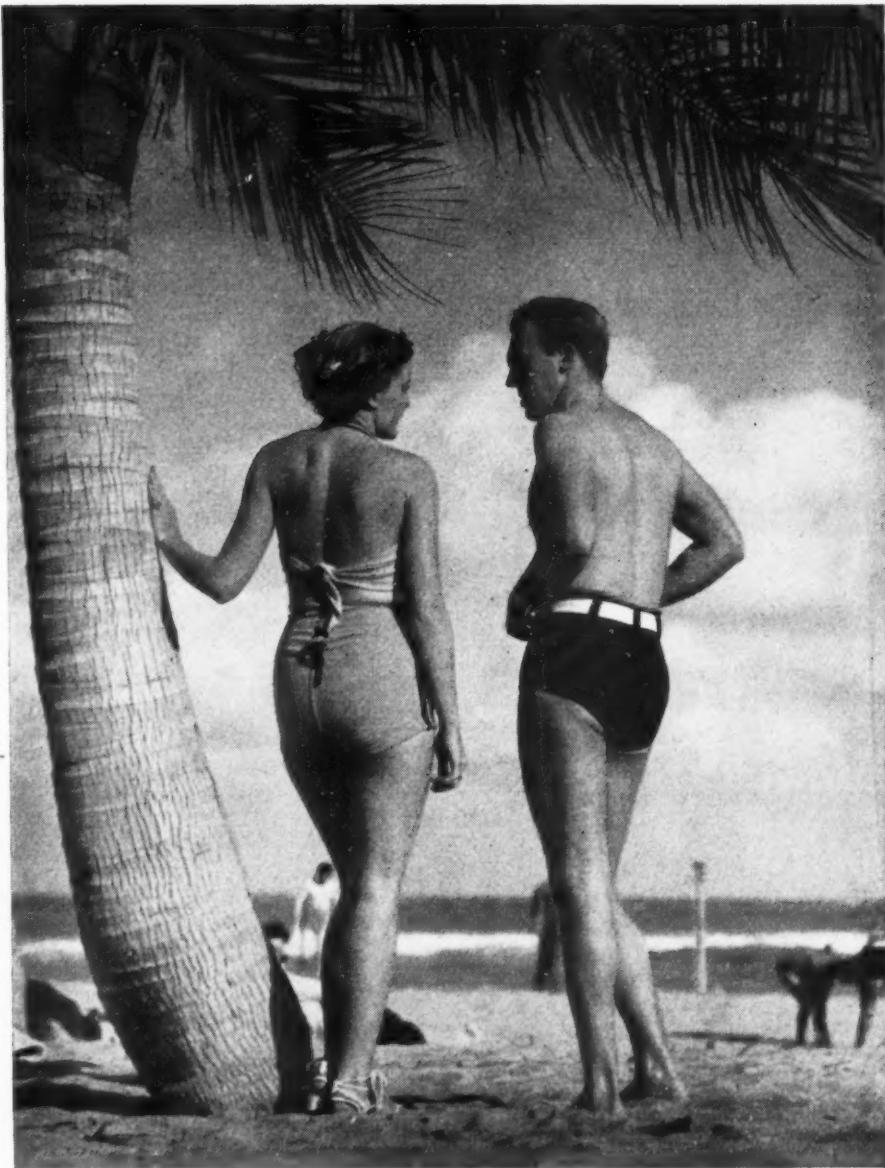
In other words, there's no "change of pace." A pitcher uses change of pace to excellent advantage in our national game of baseball; an advertiser can use it just as effectively in the preparation of his package insert. As a matter of fact, he does it in all of his other advertising. Who would think of using the same newspaper or magazine advertisement, the same poster design, the same direct-mail piece month after month? Then, why should the package insert continue in the same format, the same color treatment, month after month?

Color "Stops 'Em"

Use color, and use it freely—color "stops 'em" in all other forms of advertising, and it'll be just as effective in package inserts. Let a change of color be one means of attaining change of pace. Design your insert so that it will reflect the prestige and quality of your house and your product. Naturally, you're proud of your product—give some indication of that by the quality of design and reproduction.

Inserts of inferior or indifferent appearance not only fail to convey the proper tone of fitness and prestige. They adversely affect the subconscious reactions of the recipient, leaving the way open for the persuasion of competitive advertising to undermine the product loyalty of your product user.

Consider your package insert as a real sales-builder—a true merchandising piece—a vital form of advertising. Give it the same creative thought and attention that goes into building your other advertising—and then watch it "go to town." Redesign of packages has landed with both feet—redesign of package inserts is just as important, and long overdue.



•

**FLORIDA'S
BEST
DAYS
Are Ahead**

•

• • • • •

**9 HOTELS DOMINATING
THE WEST COAST**

Hotel Manatee River.. Bradenton
Hotel Charlotte Harbor Punta Gorda
Hotel Sarasota Terrace Sarasota
Hotel Tampa Terrace Tampa
Hotel Floridan Tampa
Useppa Inn Useppa Island
Gasparilla Inn Boca Grande
Everglades Inn.....Everglades
Rod & Gun Club.....Everglades

2 FINE EAST COAST HOTELS

Hotel Royal Worth. West Palm Beach
Hotel Dixie Court ..West Palm Beach

IN THE LOVELY HIGHLANDS

Hotel Lakeland Terrace.Lakeland

• • • • •

JUST ahead are Florida's glamour days . . . the height of the season! Ahead, too, are the glorious golden days of March. Plan to come SOMETIME within the next two months.

Sensible Rates in February

For delightful resort life . . . for sports . . . for rest and relaxation . . . for SENSIBLE RATES . . . Choose a Collier Florida Coast Hotel. 12 different hotels . . . at least one will meet your special requirements. Wire collect for February reservations.

Or Don't Miss March

Ask the experienced Florida sojourner. March is a grand month in Florida. Fishing, golf, bathing; everything at their best, better rates to be obtained. Everyone who can, stays on!

**Rates from \$7, \$8 and \$10 American Plan.
\$3.50 and \$4 European Plan. Write hotels for
information, or inquire travel agents or**

N. Y. C. OFF. — 745 5th AVE. — ELDORADO 5-6700

COLLIER FLORIDA COAST HOTELS
BARRON COLLIER, Pres.

GEO. MASON, Gen. Mgr.



[54]

SALES MANAGEMENT



What! No pressure on the **UN-SQUEEZED** third?

PRESSURE on agriculture's great market will do far more for your balance sheet than costly over-squeezing of urban business today.

Because agriculture holds over a third of your potential sales to begin with. Its people regularly buy some 40% of all goods sold at retail—and account for an even higher percentage of profits.

Selling pressure can be applied *here* both easily and economically.

For a single magazine reaches the cream of the

entire agricultural market—and reaches these families with an interest and an influence that no other magazine can approach.

This magazine is *Country Gentleman*. It is more than a magazine of leisure. It is a magazine of livelihood—a working partner among 1,750,000 families that represent the top purchasing power of a huge market.

And a "results-per-dollar" buy that is hard to equal in *any* market!

COUNTRY GENTLEMAN
NATIONAL SPOKESMAN FOR AGRICULTURE



"Somehow, Susy, we've got to think of ten reasons why the salesmen should take a 10% jump in quota this year!"

Where the Radio Industry Is Missing Its Merchandising Opportunity

Price control has broken down in the radio industry largely because manufacturers haven't, like the automobile industry, held production down to what the market can absorb.

Part II of an article in two parts*

BY WILLIAM H. INGERSOLL
Ingersoll, Norvell & Babson, Inc., New York

IN certain respects the radio industry has followed the practice of the motor car industry, which is probably the most enlightened large industry in the world. Radio has adopted the yearly model plan which was logical in a rapidly developing technical field. It has a seasonal demand as autos have. It has a servicing problem similar to the auto dealers'.

* Part I of this article appeared in the January 15 issue of SALES MANAGEMENT.

And it sells on instalments. All of these factors ought to tend toward a close, permanent relationship between factory and dealer as it has in automobiles.

Of course the dealers' investment is not so large as is that of dealers in automobiles, but it is considerable and would be larger than it is, under right conditions.

One of the wisest things that the motor car makers have done the radio producers have entirely omitted. Over-

stocks at the factory, in distributors' hands, and with dealers are all but eliminated in the auto industry. Production is closely geared to final sales. Right now we read that factory schedules are reduced because retail sales are off. The definite relationship between factory and dealer permits this coordination. Price demoralization from dumping is practically non-existent. It prevents the ruinment of auto dealers with its repercussions upon distributors and manufacturers. In radio the distributors are in distress because their dealers are in distress and so the factories also feel the trouble. The automotive industry maintains order and discipline in its trade ranks because it is set up to obtain prompt, reliable factual information upon which to base decisions. The automotive industry is scientific whereas radio speculates.

When the radio distributors recently adopted price-maintenance in New York and a few other states they were not prepared to do what such a system implies and they have come to grief. Price-maintenance works well on goods which are flowing steadily through the market in response to a prepared demand and where the supply is regulated fairly closely to that demand.

Overloading Breaks Prices

On the other hand, where stocks are forced on the trade in excess of their ability to move them, something is bound to give way. Either the dealers will go broke or the price structure will break down. In theory, under price-maintenance the one who sets the prices must hold supply to demand or be ready to take back excess stocks if they occur, or permit them to be moved by price reductions. The motor car companies have been quite successful in preserving price regularity even without Fair Trade laws because stocks were constantly adjusted to demand. The drug trade is operating price-maintenance successfully because the entire trade is trained against over stocking or speculating on demand.

Prior to the rulings of the Supreme Court which banned price-maintenance in 1911 and 1913, manufacturers and dealers were generally familiar with the operation of the system and were aware that overloading the trade was fatal to its working. But in 1937 the radio industry adopted it without realizing that to make a go of it they would have to abandon their customary crowding and guessing and substitute the technique of feeding out merchandise about as the public absorbed it from the trade. It's not a

ANOTHER SALES SUCCESS

built with Bakelite Molded!

1936



Transducer Microphone for public address
Accurate Molding Co., molder

1937



"Bullet Phone" for inter-office communication
Accurate Molding Co., molder

Transducer Microphone made of Bakelite Plastics established market in one year's time

IN THE FALL of 1936, the Transducer Corporation introduced a new public-address microphone that differed from previous types, in design, and in the use of a Bakelite Molded housing. Less than one year later, the sales success of this product influenced the manufacturer to adapt the design to inter-office telephones . . . and again to employ Bakelite Molded!

This is but one of many examples

BAKELITE CORPORATION, 247 PARK AVENUE, NEW YORK, N.Y.
BAKELITE CORPORATION OF CANADA, LIMITED, 163 Dufferin Street, Toronto, Canada

of successful selling aided by the use of Bakelite Molded in product design. Here, this material contributed acoustical and electrical advantages, as well as attractive appearance and durability. For numerous other products, it provides equally important added merits, including color selection, production economy, and resistance to moisture, chemicals and solvents.

We invite you to learn about the

almost limitless possibilities of Bakelite Molded for increasing saleability through improved design. Write for 48-page illustrated booklet 26M, "Bakelite Molded".

Visit the Bakelite Travelcade—an exposition of "Modern Plastics for Modern Living"—Mar. 1 to 31, Museum of Science and Industry, Rockefeller Center, New York.

BAKELITE

REG. U. S. PAT. OFF.
The registered trade marks shown above distinguish materials
manufactured by Bakelite Corporation. Under the capitol "B" is the
numerical sign for infinity, or unlimited quantity. It symbolizes the infinite
number of present and future uses of Bakelite Corporation's products.

PLASTICS HEADQUARTERS

system under which the dealer can be expected to speculate on demand for the makers' products and be left holding the bag if the makers overproduce.

The technique of selling under price-maintenance will have to be relearned and applied before healthy conditions can prevail in the radio field. It is the soundest method of marketing when its tenets are observed, as the auto industry has demonstrated and as thousands proved in the old days. Now is the time for the radio industry to get its house in order for the next season's operations.

The factories have seemed temperamentally unsuited to market their products under any system that would

build up a strong body of distributors and dealers. The industry has been beset by one plunger after another who allowed a good season to go to their heads and cause calamitous overproduction the next.

When the Fair Trade laws were enacted the retail dealers thought that the hour of relief from the raiding tactics of the past had arrived. In New York State, California, and Illinois, Fair Trade contracts were put into effect by most of the factories through their distributors. But in selling radios nowadays it is necessary to take an old radio in part payment in the majority of sales.

The price-maintenance contracts of

most of the brands of radio stipulated that maximum allowances on "trade-ins" should not exceed a given percentage of the price of the new set. This, however, meant that the allowance on the same old set would be four times as great if offered on a \$200 set as on a \$50 set or in some cases even more as the percentages were larger on higher-priced sets. This raised doubts as to the validity of these allowances because the Courts are not likely to uphold contracts which place such widely varying allowances on the same trade-in set, all of which could not be held to be reasonable.

Two of the most important lines, Philco and General Electric, stipulated in their contracts that the allowance was to be a "reasonable" valuation, Philco adding that it was to be based upon the original value, age, style, and condition of the trade-in. In theory these are tenable provisions but their application left the amounts to be determined on each transaction by negotiation between the dealer and the consumer.

In practice, therefore, the price-maintenance system was robbed of its effectiveness by competition between the dealers in allowances given on old sets. No two dealers could arrive at the same appraisal and it became a contest in outbidding each other on old sets, until profits have gone with the wind and dealers are in a precarious condition. In New York 210 dealers were cut off by finance companies last week.

Vicious Circle

With trade-ins as an opening wedge the whole price structure collapsed and in New York, for example, sets are being sold at cut prices regardless of trade-ins and the factories or their distributors are at a loss to know how to stabilize the situation. The retail trade is disgusted with the whole sorry chaos. Dealers feel that they were flim-flammed, that the contracts were not put out in sincerity, and that the only hope is to take matters in their own hands, organize an effective association and insist upon fair and reliable treatment from their suppliers.

Meantime the five associations of dealers in the boroughs of greater New York are working through a joint committee to find legal answers to the trade-in dilemma. They have proposed that the Fair Trade contracts be revised to provide standard rates of depreciation for arriving at valuations on old sets so that any set that sold at say, \$100 in 1934 would have a definite maximum trade-in value in 1937 if it was in normal condition.

90 STRAIGHT YEARS OF LEADERSHIP

Media Records lineage figures for 1937 show the Times-Star again leading all other Cincinnati newspapers in total display advertising:

Times-Star	9,558,698
2nd Evening Paper	6,205,867
Times-Star Lead	3,352,831
Times-Star	9,558,698
Morning Paper	4,244,800
Times-Star Lead	3,113,898
Times-Star	9,558,698
Sunday Paper	4,180,370
Times-Star Lead	3,378,328
Times-Star	9,558,698
Morning-Sunday	8,425,170
Times-Star Lead	1,133,528

During 1937 more than 600 advertisers used the Times-Star EXCLUSIVELY. You, too, need the Times-Star and ONLY the Times-Star to do your complete selling job in this rich \$250,000,000.00 market.

CINCINNATI TIMES-STAR

HULBERT TAFT, President and Editor-in-Chief
NEW YORK . . . Martin L. Marsh, 60 East Forty-Second Street
CHICAGO . . . Kellogg M. Patterson, 333 North Michigan Ave.

100 years
old in 1940

This plan is now in process of consideration by the various interests with some promise of general adoption.

Blame for the general jumble is passed around from dealer to jobber and jobber to factory and from factory back to the dealer. Dealers charge that distributors knowingly sell to price-cutters who are openly violating their contracts; that if they are big operators the distributors wink at the violations.

The distributors say that the factories are pressing them for volume, that it does no good for one line to refuse to sell disturbers if competing lines continue to supply them and that it's hard to get evidence that would justify concerted cutting off of offenders.

The factories charge that the dealers who complain the loudest are themselves often the worst offenders; that it is up to the dealers to clean up their own ranks and then there will not be the faults which they protest. But again the factories choose the dealers so the latter cannot discipline their own ranks. The factories also charge each other with bad faith in failing to adhere to understandings not to indulge in demoralizing practices.

For example, early in 1937 the manufacturers agreed together to cut out one practice that had grown into a serious abuse. In the past dealers had been offered vacation trips for buying certain quantities of goods. The cost of these trips had grown until they often exceeded the value of the merchandise. So the factories agreed to eliminate such inducements and to concentrate on selling radios instead of transportation.

Bigger and Better Cruises

The agreement seemed to be holding until suddenly in November one factory came out with an offer of a three-day trip to Atlantic City for the dealer and his wife if he bought six or eight radios amounting to perhaps \$400. Then the lid was off! Another factory bettered the offer by making it a nine-day trip to Miami, all expenses paid. Then another wired its dealers to "hold everything" for a bigger and better proposition which proves to be a trip to Cuba and South America in a chartered ship costing over \$100,000 it is said. In California the competition is on trips to Mexico or Hawaii. The moral seems to be, "Be a radio dealer and see the world."

One of the factories is now reported to offer a 27% discount on purchases in lieu of a trip and dealers generally are hoping to settle all accounts on a reduced basis. Such things, of course,

break down all price structures and pandemonium reigns throughout the trade.

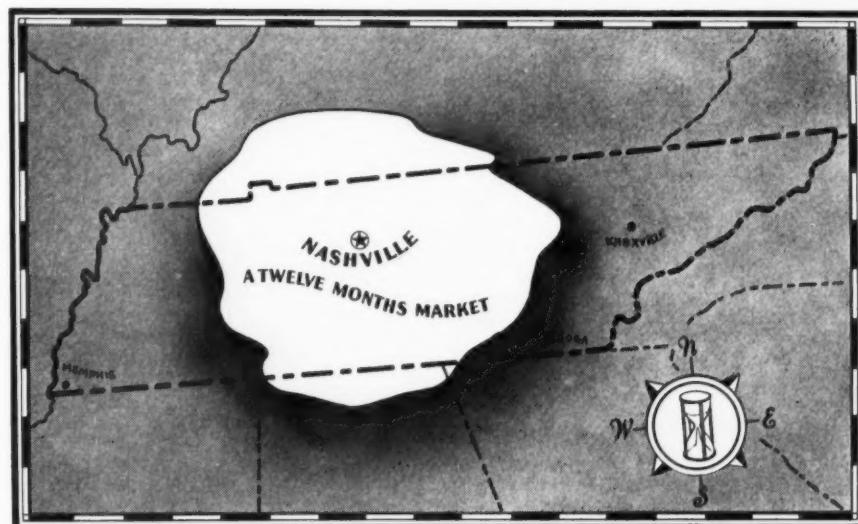
From some familiarity with the industry I am convinced that the seat of the radio industry's instability rests upon the lack of firm policy at the factories. Marketing requirements are simply not comprehended by many among the top managements. Among thousands of dealers there is, of course, bound to be a sprinkling of "gyps." All dealers have to compete with these and it is senseless to admonish the trade to clean its own skirts as long as the factories continue to supply those who are known as deliberate demoralizers.

An industry based upon trade-marks

and consumer demand by brand names needs the support of the brand owners in maintaining orderly conditions.

Factories should set standards for the selection of dealers; have no larger a number than is needed for the public convenience in the distribution of their products, and they should provide cooperation to make their dealers successful. With purposeful determination on the part of the factories, next season could be a good one in radio. That is the shortest route to better conditions.

But since the manufacturers as a whole have not yet shown a purpose to achieve such ends, the dealers are moving to supply the deficiency. A strong trade association can exercise



24 HOUR COVERAGE of a twelve months market!

*Stop thinking of Nashville
as merely a city of
153,866 people*

It is the focal point of the most perfectly balanced year-around market in America.

A market inhabited by 863,215 people with a spendable income of \$273,458,000 or more a year—A market in which industry and agriculture combine to spread this income over the whole population the whole year round.

Here is the cultural center of the South with 38 colleges, preparatory schools and universities. Here is the livestock, dairy and dark tobacco center of the South. Here is a manufacturing center with a product range from shoes to cellophane. Here is a market that ranks first in Tennessee, third in the entire South, in per capita retail sales.

Complete twenty-four-hour coverage of this balanced twelve-months market costs you only 27¢ per line.

*Nashville Banner
Evening*

REPRESENTED NATIONALLY BY THE BRAHAM COMPANY

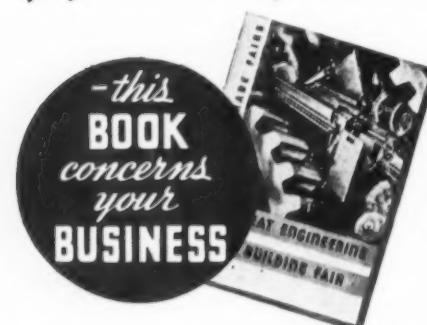
*THE NASHVILLE TENNESSEAN
Morning-Gunday*

TO EXECUTIVES interested in the sale of merchandise items



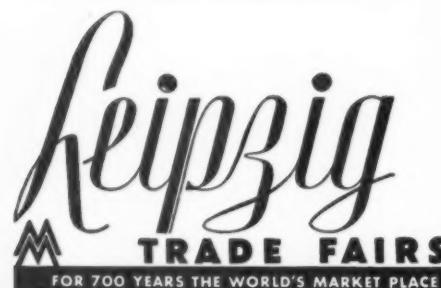
Let us send you a free copy of this new book, without obligation. It describes the world's largest merchandise mart — where tomorrow's successes are on view today. The latest offerings in every conceivable line for the department and specialty store are completely and thoroughly covered by the 6,000 exhibitors from 25 countries. The Fairs regularly attract some 250,000 buyers from 72 countries. For bigger profits in 1938, we urge you to plan now to visit the coming Spring Trade Fair — March 6th to 11th. Write today for copy of Book No. 11.

TO EXECUTIVES interested in manufacturing equipment and processes



Send for a copy of this new book today. It describes the Great Engineering and Building Fair (March 6th to 14th) where the latest technical developments in machinery, equipment and new materials for your industry are displayed. 2,500 exhibits — the majority of the machine exhibits in actual operation — make this the largest machinery exhibit in the world. Write today on your business letterhead for a free copy of this interesting Book No. 12.

Leipzig Trade Fair, Inc.,
10 East 40th Street, New York



[60]

much influence in the direction desired. Its members can decide upon the policies they will support. They can decline to take too many lines into their stores. They can protect themselves against overloading. They can exert some guidance over the number and caliber of dealers to be appointed. They can work for wholesome cooperation between broadcasting stations, factories, distributors, and dealers. More than 50 cities are now collaborating on plans for developing a representative dealer organization. If, when formed, it is tolerant and sympathetic with the manufacturers' problems and yet firm in its own purposes it may supply the balance hitherto lacking in radio marketing. Such an organization could easily add \$1,000 a year to each member's net profit.

The future of radio is worth preparing for. Its development has only begun. The Federal Communications Commission has recently announced that on October 13, 1938, it will open a multitude of new channels for broadcasting over the air. Thousands of new stations of all sorts will be made possible and small local stations like our small newspapers may be expected to blossom forth. Possibilities are so immense that no one can forecast them. Ten times the portion of the ether previously subject to regulation will be opened. The bands will extend from 10 to 300,000 kilocycles. Old sets will become obsolete. A whole new market will be opened up. This, at least is as it is explained in technical papers.

And a few years beyond that television may be anticipated.

Radio is worth preparing for. It is time for broadcasting station, public service corporation, factory, distributor, and dealer to take the large view of their opportunity, leave off petty bickering and get set to make the most of what is before them.

California's Reward for Faith in Advertising

(Continued from page 26)

trend was pretty apparent. The pace had become rapid—probably inspired by radio. Anyhow, people wanted to see new places, do new things."

Current copy, scheduled to the end of the fiscal year, June, 1938, sees to that very thing. The theme is excitement: Santa Anita horses running at break-neck speed . . . tycoons discovering a glorious vacation overnight by plane from Gotham . . . styles made . . . stars born—a place that's fun to visit because things happen.

Such advertisements, all keyed (for don't inquiries from some 330,000 families pour in annually?) are to be perused daily in *Saturday Evening Post* (picked for two 4-color pages and one black-and-white bleed as well as other insertions); *Collier's* in December and February, and in March and May with two 4-color pages; *National Geographic*, November, December, March, May; *New Yorker*, November, February, April; *Harper's Bazaar*, November, December, March, April; *Vogue*, October, November, February, March; *Scribner's*, October, November, February, April; *Atlantic Monthly*, October, November, February, March; *Travel*, November, December, February, April; *Time*, November, February, April, May (some color pages here, too); *Life*, four insertions in October, November; *Cosmopolitan*, January, April, May, June; *Grade Teacher*, March, April; *Instructor*, April, May; *Sunset* (Northwest Edition), April, May; *Rotarian*, March; *Harper's Magazine*, October, November, February, April.

L. A. County Pays for Ads

When the purpose of the campaign varies, the list of publications varies. The current one represents a \$239,000 expenditure, \$39,000 more than for the previous fiscal year campaign. White space in eastern newspapers and magazines is purchased with Los Angeles County tax funds.

California industry pays all other expense, including the support of the imposing new information bureau on Sixth Street, Los Angeles, where some 26 free service bureaus do practically everything for the tourist from getting him tickets to attend Eddie Cantor's broadcast . . . or guest-ticketing him to the angling club where you catch a trout and watch it broiled . . . or arranging for his conducted tour through some 15 airplane or other major industrial plants . . . to taking care of his mail. (Here, the average intake is one tourist every minute and a half, nine hours a day!)

Radio is used to keep the natives sold on the semi-tropical joys and sights since, even in heaven, there is considerable doubt that the angels see the gold in their own doorsteps. At any rate, 40% of Southern California still hasn't been to Catalina Island—the glowing spot that the Wrigleys painted turquoise and pink-orange and where, as every travel-literature reader knows, you see ocean fish and flowers through a glass-bottomed boat.

There is to be a newspaper campaign for Spring, but the schedule has not been made.

When the Housewife Meets You with Fire in Her Eye

(Continued from page 30)

frigerator salesman would ask something to the effect that: "You are interested in home modernization, aren't you?" Or, "You are interested in reducing your food bill, aren't you?"

Note that we first agree with the prospect, then add a tag-end question that calls for an affirmative reply. It is of major importance in selling to make all statements positive, rather than negative, and to ask questions in such way as to call for the answer, "Yes." I use this method to good effect after I get in, as well as before. "It is nice to be able to make your selections in the privacy of your own home, isn't it, Mrs. Brown?" It is hard for "Mrs. Brown" to say no to that question, and when she says yes, she has admitted that she likes to buy this way.

The frequent use of the prospect's name also cultivates a favorable attitude. People have a natural fondness for their own names, and one who repeats it at every favorable opportunity gives the impression that he is interested in them, while at the same time he is placing them in a favorable disposition by repeating something they like to hear. Needless to add, however, this can be overworked.

The Soft Answer

One of the most disconcerting objections, however, is, "What's your line?" Or, "What are you selling?"

In reply to the former, I usually chuckle and say: "I don't have any line, Mrs. Brown; I don't believe in them." To the latter I may reply: "I'm not *selling* anything, Mrs. Brown; I'm not a high-pressure salesman." Or, "I never try to *sell* anything, Mrs. Brown. I understand that you are a very good judge of styling," and so on, as in reply to the objection, "What do you want to see me about?" Such a counter attack eliminates the objection and places the prospect on the defensive. This is immediately followed up by a statement or question which emphasizes "You" and turns the interest away from what 'I' want.

Of course it sometimes happens that a prospect really is too busy to see me, in which case I make no attempt to get in.

Under no circumstances, though, do I attempt to make a presentation at the door. That simply cannot be done successfully and I had rather make a call-back than to "kill" the prospect right then and there, which is the usual result of a door-step presentation.

*Resultful
Double
Action*

*Getting More Advertising
because
getting More Business for Advertisers*

*Two Separate and
Distinct Newspapers*

—each with its own staff, and each rendering sales-getting service to the merchandising field of San Antonio and its rich trade territory.

13,725,166

lines of paid advertising in 1937

589,904

lines more than in 1936

7,265,321 lines of local advertising,
which is

418,516 lines more
than in 1936

2,304,635 lines of national advertising,
which is

68,036 lines less
than in 1936

4,155,210 lines of classified advertising,
which is

239,424 lines more
than in 1936

Again The Express and The Evening News have achieved a yearly gain of more than a half-million lines of paid advertising, as compared with 1936.

The gain for 1936 over 1935 was 2,071,269 lines; for 1935 over 1934, the gain was 1 1/4 million lines.

These substantial gains year after year reflect the home circulation influence, among people who have the means to buy.

Express and Evening News circulation is circulation which gives the advertiser coverage of a great market.

**San Antonio Express
SAN ANTONIO EVENING NEWS**
Texas' Foremost Newspapers

When the Treasurer Thinks Sales Figures Aren't Worth the Money

(Continued from page 32)

than current estimates in one instance, and very much lower in another.

Another weakness of this company's accounting procedure—from the sales manager's point of view—is found in the false standards it sets up for branch operations. Each branch manager typically measures the success of his operation by the profit he

can show for his branch. So does the sales manager, to a certain extent. While he realizes that immediate profit is not the sole objective of branch operation, he finds it is difficult to direct or correct branch operations, because he lacks the facts he needs for this purpose.

Moreover, good profits have their



CUT SALESMEN'S MILEAGE COSTS to 3 1/3c. or less

Our leasing cost is considerably lower than your present cost price of a new car and includes complete maintenance.

NO CAPITAL INVESTMENT

WHAT IS We lease nationally one or more Dodge, Plymouth and Chevrolet sedans or coaches at an annual rate so low that substantial savings are assured.

WHAT OUR RATE INCLUDES: A new car every 12 months. License plates in

whatever states operated.

Fire, theft and collision insurance.

We include all items of service, maintenance and repairs of every kind and description.

Chains and anti-freeze.

Oil and grease.

Tire repairs and replacements.

Replacement of cars without any additional cost if destroyed by fire, collision or otherwise.

Purchase of your present equipment at fair appraisal value.

COST Per month
ANALYSIS: Plymouth or Chevrolet

Sedans or Coaches \$45.00

Dodges (slightly higher per month)

Rental cost per year based on

\$45.00 per month \$540.00

Based on 24,000 miles, the average yearly mileage of salesmen and 18 miles per gallon or 1¢ per mile for gas 240.00

Average fleet cost Public Liability and Property Damage insurance 30.00

\$810.00

This total of \$810.00 divided by 24,000 miles gives you a total operating cost of .0337 cents per mile. As mileage increases, your cost per mile decreases because our rate remains standard. At 30,000 miles

per year your cost would be .029 cents per mile.

Our rate includes every item of expense incident to the operation of cars, except gasoline and Public Liability and Property Damage insurance which we do not furnish. The cost of these two items has been approximated, as above, based on our past experience. By adding these costs to our leasing charge we set forth what your actual cost per year or per mile should be under our plan.

WHY YOU SHOULD BE INTERESTED? Salesmen relieved of all worries and responsibilities prevalent with personally owned cars.

Corporations relieved of necessity of maintaining costly service garages.

No capital investment.

New cars every year, minimizing accidents. You can estimate accurately your car costs a year in advance.

Cars always have a creditable appearance.

Use of decalcomania permitted.

No restrictions on mileage or use of car at any time.

Fleet cost comparisons will be furnished upon receipt of information as to the present number of cars used by your company and how owned and operated. Such information will be treated by us as strictly confidential.

We guarantee 100 per cent transportation. Complete references supplied.

The R. A. Company

Automobile Leasing Nationally
G. J. EGAN, New York Manager
Chanin Bldg., 122 East 42nd Street
New York City - (Ashland 4-9653)
ALSO PHILADELPHIA, PENNA.

effect upon him, too, and he can hardly be expected to be very critical of branch managers whose statements show them. On the other hand, when they do not, it is the only significant figure that he can attack.

The inevitable effect, of course, is to stimulate branch managers to aim almost exclusively for their total profit figure when they should be aiming at profits by individual markets—obviously a much more difficult goal. What they do now is to push for volume in the two markets where sales are easiest to make, and neglect the other two.

Neither the company nor the branch managers are unaware of the vital importance of cultivating these new, tough markets. Liberal appropriations are being made to pay the cost of so doing. As long as the accounting reports fail to show precisely what is going on in each one of these operations, just so long will the sales direction of this company lack precision and control.

Ruinous Drifting

What happened with this company was that part of the business—the sales and merchandising part—grew away from the accounting system originally established. If any fault is to be found here, everyone will probably agree that the accounting department is not responsible. For if the sales manager himself didn't see the need for getting distinct sales and expense figures for each of his sales operations, how could the controller be expected to know any better?

That is exactly the point. He couldn't. And that's why sales managers cannot leave to the accounting department the sole responsibility for deciding what accounts to set up, and what summaries and statements to prepare.

The sales manager himself is the only man who really knows what figures he needs. He cannot take for granted either that the figures he is now getting are the right ones for his needs, or that the controller will on his own initiative reclassify his accounts so that they reflect the business accurately in terms of sales and merchandising functions.

This particular case illustrates only one way in which accounting systems can become dislocated from departmental needs. There are many others. Sometimes the difficulty is created by long-time changes, as here; and sometimes the classifications set up are out of joint from the start.

In a recent study of the sales plans of a company manufacturing a certain mechanical device, for example, we

found that the sales records apparently gave the complete story of sales by products, yet actually failed to provide the sales manager with information of vital importance. In fact, they completely misled him as to what was actually going on.

Equipment manufactured by this company is made in a dozen or so different sizes, to meet the needs of domestic, commercial and industrial users. Sales records showed sales of each size. The sales manager noted that while sales by units were increasing rapidly, his dollar volume was growing more slowly. His records confirmed the obvious conclusion that this was due to the failure of the larger and more expensive units to keep pace with the smaller ones.

This was a situation that needed remedying. Therefore the sales manager perfected complete and detailed plans to boost commercial and industrial sales, the two markets which used the larger-sized units.

Ending Distorted Records

About this time, our men were at work in the field on a totally different problem. Their reports, however, covered sales operations generally, and gave no indication whatever of the condition of affairs inferred by the sales manager from his records. In fact, they presented another picture so clearly that it was necessary to locate the reason for the apparent inconsistency.

We soon discovered it. The sales records told clearly and accurately the *number* of units of each size that had been sold, but they did not show the market into which each unit had gone. The sales manager's inference had been based upon the assumption that each unit had been sold for use in the market for which it had been designed. However, certain sizes that fell near the boundaries of two markets could be used in either, and the smaller sizes were now being substituted regularly, by dealers, for their immediately larger sizes. Sales in the commercial and industrial markets, therefore, were *not* falling off; and no special drive of the kind contemplated was justified.

Similar weaknesses in sales records and accounting are very common. A sales manager's only remedy is to take a more active part in determination of the kinds and forms of reports to be prepared. Only by so doing can he be sure of getting the information he needs in a form that will enable him to meet his responsibilities clearly and definitely, and to make his moves with precision and confidence.

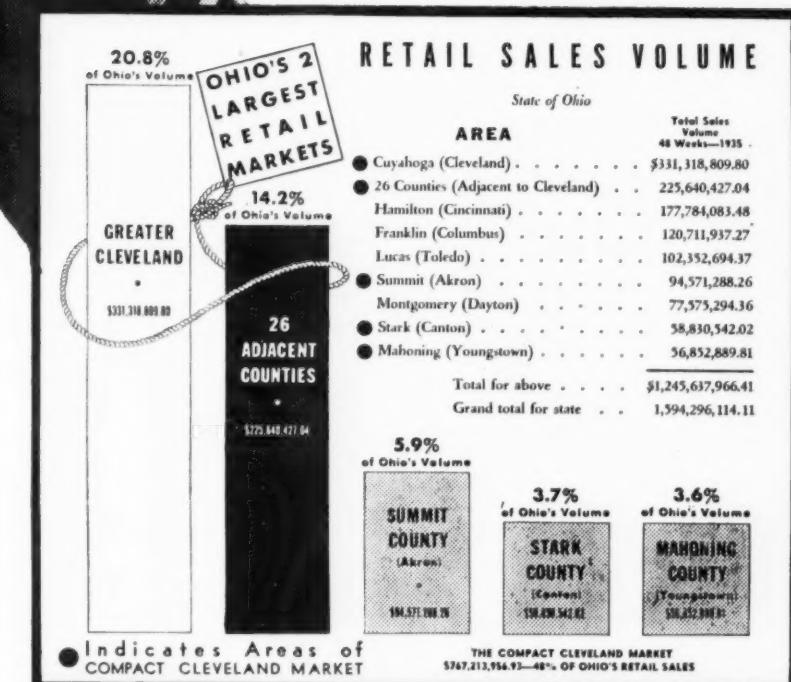


OHIO'S TWO LARGEST MARKETS

First—Cleveland

Second—26 Counties

Surrounding Cleveland



— and ONE NEWSPAPER Covers Both!

Ohio's Sales Tax figures show that the 26 counties surrounding Cleveland (not including Akron, Canton and Youngstown) form the *second largest market in Ohio*. Your distributor or jobber in Northern Ohio thoroughly covers these 26 counties because he knows this market is *more than two-thirds as great as Cleveland!*

There is only one economical way to cover this rich, closely-knit market. The Daily Plain Dealer reaches Ohio's second largest market in addition to its coverage of Cleveland. One cost delivers the two largest markets in Ohio, containing 35% of the entire state's retail sales.

You'll want a copy of the Plain Dealer's Sales Tax Study. Write us, or John B. Woodward, Inc., today.

Cleveland PLAIN DEALER

PREMIUMS

by

Ingersoll,

EVERYBODY WANTS THE TIME

Ingersoll is "standard time" for every American man, woman, and child. And an Ingersoll premium establishes value, gives style, guarantees reliability. We'll help plan deals, prize offers, etc. Prices from $\frac{1}{2}$ gross to $\frac{1}{2}$ million.



POCKET WATCHES

Low in price—high in appeal—when they have the Ingersoll name on the dial.

WRIST WATCHES

Including new jeweled models in curved cases.

NOVELTY WATCHES

Including Mickey Mouse—the watch sensation of the generation.

GOLD WATCHES

7-k. rolled-gold-plate pocket and wrist watches at typically low Ingersoll prices.

LADIES' WATCHES

Unbelievably small—and at unbelievably low prices. Inquire!

CLOCKS

All sizes, kinds and descriptions; with or without alarm.

Write Premium Promotion Dept., Ingersoll-Waterbury Div., Waterbury Clock Co., Waterbury, Conn.

Ingersoll



Chicago

Plans have been announced for the coming Industrial Relations Conference of the personnel division of the American Management Association, to be held February 15-17 at the Palmer House, Chicago. Theme of the three-day conference program will be the "Reconstruction Phase" in the relationship between management and labor, which will be discussed by eminent men in industrial relations and personnel administration. A partial list of the speakers includes: T. G. Graham, vice-president, B. F. Goodrich Co.; Ralph A. Lind, Stevenson, Jordan and Harrison; A. B. Gates, director of training, Eastman Kodak Co.; H. L. Nunn, president, Nunn-Bush Shoe Co.; A. S. Regula, Industrial Relations Counselors, Inc.; M. L. Putnam, chief, personnel research and training division, Western Electric Co., Inc.; Dr. Morris S. Viteles, director of personnel research and training, Philadelphia Electric Co.; A. L. Kress, director, industrial relations department, National Electrical Manufacturers Association; C. S. Ching, director, industrial and public relations, U. S. Rubber Co.; and John A. Stephens, manager, industrial relations, Chicago district, Carnegie-Illinois Steel Corp. and president, Industrial Relations Association of Chicago.

St. Louis

At the January 14 meeting, members of the Sales Managers' Bureau of the St. Louis Chamber of Commerce heard T. L. Shaffer, vice-president in charge of sales, Congoleum-Nairn, Inc., speak on "Putting More RPM's into Salesmen." The following week Dr. Sigmund Spaeth, dean of the Wurlitzer School of Music, spoke to the club members on "Sales Psychology."

New York

The Executives Club, chief executives division of the International Association of Sales Executives, last week sponsored a Housing Forum to discuss "Home-Building, the Key to Economic Recovery." Feature speakers of the day and the subjects of their talks were Arthur R. Herske, vice-president and general sales manager, American Radiator Co., "The Expanding Demand for Comfort"; Dr. Wilson Compton, manager, National Lumber Manufacturers Association, "Home-Building Plans for 1938"; Harvey Wylie Corbett, architect, "What Pre-Fabrication Could Do for the Home"; and Henry Wright, technical editor, *Architectural Forum*, "New Developments in Large Scale Home-Building."

K. N. Merritt, general sales manager, Railway Express Agency, was guest speaker

at the January 17 meeting of the Sales Executives Club of New York. His talk, entitled "Organization for Better Sales Results," was followed by a musical program of the Railway Express Glee Club of twenty-five male voices.

Rochester

The Sales Managers Club of the Rochester Chamber of Commerce celebrated its fiftieth anniversary with three consecutive meetings, January 24, 26 and 27. Guest speakers for each meeting were, respectively: Secretary of Commerce Harold A. Roper, H. V. Kaltenborn, news commentator, and Dr. C. E. Mees, director of research, Eastman Kodak Co.

San Francisco

George H. Eberhard, president, Geo. H. Eberhard Co., was guest speaker at a recent meeting of the San Francisco Sales Managers Association. The topic of his talk was "Selling in 1938." Also on the program, Ferris M. Wakeley, director, Institute of Human Engineering, spoke on "Sales Talks that Pay Dividends." His address was followed by a showing of the new Borden & Busse film, "How to Win a Sales Argument."

Shreveport

The 1938 report of the Shreveport Sales Managers Club, issued recently by the organization, shows a roster of 48 members.

Milwaukee

The Milwaukee Sales Managers Association held its first 1938 meeting on January 20 with Ray McCroy, chairman, department of social science, West Division High School and head of service training, Milwaukee Municipal League, as guest speaker. The subject of his talk was "How's Your Personality?" At the meeting new officers and directors were installed to serve for the year. They include: D. H. Beisel, Wadham's Oil Co., president; John U. Heuser, Cutler-Hammer, Inc., vice-president; John H. Kopmeier, Wisconsin Ice and Coal Co., treasurer; Robert J. Delehanty, Multigraph Sales Agency, secretary; and directors, Gifford T. Vermillion, Mutual Life Insurance Co. of N. Y.; Clinton E. Thorn, Addressograph Sales Agency; Fred J. Conlin, Toledo Scale Co.; Conrad A. Netzhammer, Northwestern Furniture Co.; Robert E. Lee, Standard Oil Co.; and Edward H. Jones, L. C. Smith & Corona Typewriters, Inc.

New Orleans

A novel idea of "getting acquainted with fellow club-members" is being used by the New Orleans Sales Managers' Council. Each issue of the council's semi-monthly publication, "Sales Managers Council News," contains portraits of approximately 14 club members. The Members' Album, as it is titled, is designed to give each club member a permanent portrait roster of all other members to familiarize him with names, business connections and faces. The portraits will be a regular feature of the organization's publications until all members' portraits have appeared.

Chester, Pa.

A new sales managers' club, the Sales Managers' Association of Delaware County (Pa.), has recently been organized, with Elmer H. Martin, Robert Howarth's Sons, Inc., as president.

Patman Moves to Kill Chains and Prohibit Commercial Bribery

BY H. H. STANSBURY

Editor, The Capitol Daily

CONGRESSMAN WRIGHT PATMAN, Democrat, of Texas, is about to throw a carefully written, carefully planned attack on chain stores into the legislative hopper—a bill to tax them out of existence.

"Death to chain stores" as a popular slogan, is about to join the famous "Soak the rich" and "Bust the trusts."

As a legislative vehicle for pioneering statesmen any one of the above three is good for gallery applause any time. And the chain store antipathy is right at a nice peak today.

The merits or demerits of any measure, such as the "Death to chain store" bill which is about to be introduced in the United States Congress, pale before oratorical possibilities on the subject. The fireworks will come from the independents throughout the country.

Hence, from one who has watched the writing of the new bill and the parliamentary strategy used to date, I want to preface further comment by saying that the bill is likely to "go places."

Here is the gist of it:

Large Chains Heavily Taxed

The bill, to be introduced about the time this reaches SALES MANAGEMENT readers, is in four sections. The first section states that the Federal tax rates shall be from \$50 per store (under 10) to \$1,000 per store (over 500 stores). Section II (with a separability clause in the event of unconstitutionality) provides that chains operating in more than one state shall be taxed equally for each additional state in which they have stores.

Section III sets up the mechanics for collecting the tax. Section IV describes "chain stores" and exempts gasoline filling stations.

Here is the parliamentary strategy:

Wright Patman, who put in a long siege on the Price Discrimination Act, is not to be regarded lightly despite any prejudices by retailers against the subjects of his pet legislation. Patman is smart, able and wary. He doesn't try to do a big job alone.

In this case, a "feeler" bill was drafted several weeks ago and carried by several publications. The bill simply prohibited chain store operations

in more than one state. The writer talked with sound constitutional lawyers in Washington. They called the early draft of the bill flagrantly unconstitutional. Probably Patman received the same advice. Hence the bill to be introduced attacks from the constitutional premise of a Federal excise tax.

The first draft was not circulated among members of Congress. A few members have worked with Patman during the last two weeks on the second draft. They were content that they had hit the right angle. Then, Patman sent a copy and a letter to all members of Congress, asking those who were sympathetic to meet with him to discuss the subject if they were interested. Over 50 Congressmen replied. This group then formed a bloc, now ready to move. Just as he did with the Price Discrimination Act, Wright Patman knew he had to have supporting strength of an active bloc behind him to force action.

Now, he has it. And 50 members



The 20 Leaders

(Value 1937 Construction)

New York	\$305,858,000
Los Angeles	63,171,000
Detroit	52,910,000
Washington	31,169,000
Philadelphia	30,882,000
Chicago	28,806,000
Boston	21,435,000
San Francisco	20,245,000
HOUSTON	18,685,000
Cincinnati	18,203,000
Baltimore	16,152,000
Miami	14,064,000
Milwaukee	12,094,000
Cleveland	11,125,000
Miami Beach	10,810,000
Denver	8,887,000
Portland, Ore.	8,671,000
St. Louis	8,650,000
Pittsburgh	8,581,000
Oakland, Cal.	8,396,000

HOUSTON ranked first in the South . . . ninth in the Nation . . . in volume of construction last year. Houston's building permits exceeded the second-ranking Texas city's by \$12,000,000. Most of Houston's building permits were for homes and apartments. This indicates the rapid growth of the Houston market . . . and its rich opportunities for your product. The figures at left are from Dun & Bradstreet.

THE SOUTH'S LEADING MARKET

THE HOUSTON CHRONICLE

LEADS THE STATE IN NATIONAL ADVERTISING
FIRST IN HOUSTON — IN EVERYTHING

R. W. McCARTHY
Manager National Advertising

THE BRANHAM COMPANY
National Representatives

of Congress are only the beginning. The writer talked with a few stalwarts such as Maverick of Texas. Maverick had not replied to Patman's first letter to members, but he had telephoned Patman to arrange for a talk on the bill. Probably Maverick will go along. And a score of others.

Here's a pointer on successful legislation . . . bills that are popular with the *right* constituents in *every* state are going to become Federal law. And independents are "right constituents." They represent the strength and foundation of a community. They are the leaders of their cities and the mayors of their towns. "States Rights" is not a part of the Democratic platform (of old) to them.

Now to look ahead.

With a bloc behind him. Wright Patman is going back to state leaders and mayors and independent business men with his story. He is using the modern technique in legislation—getting the constituent in Maine and New Mexico to beat the drums instead of log-rolling under the Capitol dome.

I talked with a Vermont Senator in March, 1936, shortly after the Robinson-Patman bill began to get attention in the Congress. The Senator's amazement over the increasing and demand-

ing mail from his own state forced him to admit he was not entirely in sympathy with the Robinson-Patman Price Discrimination Bill, but that he would have to vote for it. Immediately afterwards, a poll of the Senate showed 66 other senators in the same situation. No one took the bill seriously at first. It was law four months later.

Joe Robinson

Patman has a real handicap today, however. That handicap is old Joe Robinson, the master at whose feet Wright Patman learned about regulating distribution. Patman needs Robinson on the Senate side.

Joe Robinson, a great floor leader, had a real hobby. That hobby might be termed unfair distribution practices. In 1930 the late Senate floor leader introduced a bill prohibiting "commercial bribery." Last week, Wright Patman introduced virtually the same bill, now known as H. R. 9829.

The commercial bribery measure has lost some of its early color as Patman is now thinking only of the chain store bill. Nevertheless, temporarily inactive, the commercial bribery bill may be dynamite also. It states, "It shall be unlawful for any person, corporation, partnership or other organization to give or offer to give to any employee, representative, or agent of another . . . a bribe or reward for doing or omitting to do . . . any favor."

When questioned, Mr. Patman would not qualify the bill by saying whether this would apply to giving a case of Scotch or a couple of box seats to a good customer. In other words, salesman or general manager will be able to shave his "entertainment budget" considerably if a bottle of Scotch becomes "commercial bribery."

The chain store bill is a hot issue in an election year. A lot of the boys on Capitol Hill learned that there were votes in the Price Discrimination Act. They see the same sort of votes in cracking down on the chains now.

"The minimum tax rate per store is \$50 and the maximum \$1,000," Mr. Patman points out. "The maximum is higher than the maximum in any existing state statute, and, apart from the effect of Section II, which provides that the tax shall be multiplied by the number of states in which the chain operates, would seem to be high enough to achieve the desired regulatory effect."

"The bill, like all the state statutes except those of Idaho and Louisiana, applies the progressive tax brackets to the number of stores in excess of the next lowest bracket. Federal income

taxes are imposed upon this principle.

"In Idaho and Louisiana the size of the chain fixes the tax bracket within which it falls and then the tax rate so determined is applied to *all* stores in the chain. The effect is to accentuate the increase in tax resulting from progression from one tax bracket to another. Since the Supreme Court has upheld the constitutionality of the Louisiana statute (*Great Atlantic & Pacific Tea Co. v. Grosjean*, 301 U.S. 412), it is a matter of policy which basis should be used. The basis of the Idaho and Louisiana laws could be adopted by a slight change in the language of the bill.

"Because of the possibility—not probability—of a holding that Section II, providing for such multiplication of the tax, is unconstitutional, the section provides that if it or any provision thereof shall be held invalid, such holding shall not affect the validity of the act. As to the advantage of such an express provision, in addition to the usual separability section (Section V of the bill), see Stearn, *Separability and Separability Clauses*, 51 Har. Law Rev. 76, 125-128. *Louis K. Liggett Co. v. Lee*, 288 U.S. 517, held that provisions of a graduated chain store tax imposing a higher tax upon chains operating in more than one county than upon chains operating entirely in one county, were 'unreasonable and arbitrary, and violate the guarantees of the Fourteenth Amendment.' Justices Brandeis, Stone and Cardozo dissented."

Manufacturing Retailers

Meanwhile, with the heat on chain stores, Patman is failing to put the pressure on H.R. 4722, which separates manufacturers from retailing.

The John Martin subcommittee, which considered H.R. 4722 and held hearings, is coasting along. No report has been made to the full committee. Additional briefs are being awaited from several firms who testified before the subcommittee. The printed text of the testimony will not be available for at least a week, probably not even then.

Start Admiracion Series

Admiracion Laboratories, Inc., Harrison, N. J., launch a series of ads for Admiracion foamy oil shampoo through Charles Dallas Reach agency, of Newark. *This Week*, dealer cooperative ads in 50 cities, *Woman's Home Companion*, Modern Magazines, Screenland Unit, and *Holland's* magazine will be used. Continuance of newspaper space in four cities (Cincinnati, Chicago, Indianapolis and Pittsburgh) that successfully carried test copy last year is under consideration.

MICRO-LITE

100% American Made

"World's Most Powerful POCKET FLASHLIGHT"

100 ft. beam

1,001 uses

Popular with men and women. A perfect door-opener for salesmen—a smile-getter with hardboiled buyers—a sure fire hit at conventions and sales meetings. Takes standard battery and bulb. Write today for sample, prices and complete catalog.

DEPT. S.

MICRO-LITE CO., INC.

45 W. 25th St. New York

Combination Micro-Lite & Key Case. Molded tips in 7 rich colors. Black leather case.

Furniture Retailers Reopen Drive Against "Industrial Selling"

Warfare on the so-called "industrial selling" front broke out anew in Chicago recently when the Chicago Retail Furniture Association sent out "shoppers" to learn if the evil, which has been fought bitterly here, still persisted. The shoppers made 16 calls on manufacturers, wholesalers and retailers.

The shoppers merely told the house being "shopped" that they were employees of a large industrial concern—which they were not, and carried nothing to indicate they were—and said they understood that their employment gave them right to discounts. On their simple word they were allowed liberal discounts in 13 of the 16 places visited and a fourteenth told them the desired item was not in stock but would be ordered for them at discount.

Among the items purchased were electric irons, toasters, an electric clock, a lamp, a coffee maker, a waffle iron and a cooker. In all, items listed (retail price) at \$106.90 were purchased for \$68.20. Here are some of the items:

Item	List price	Bought for
Electric iron	\$6.95	\$4.52
Waffle iron	6.50	3.76
Coffee maker	3.50	1.00
Electric clock	3.45	1.97
Toaster	3.95	2.21
Toaster	16.00	10.78

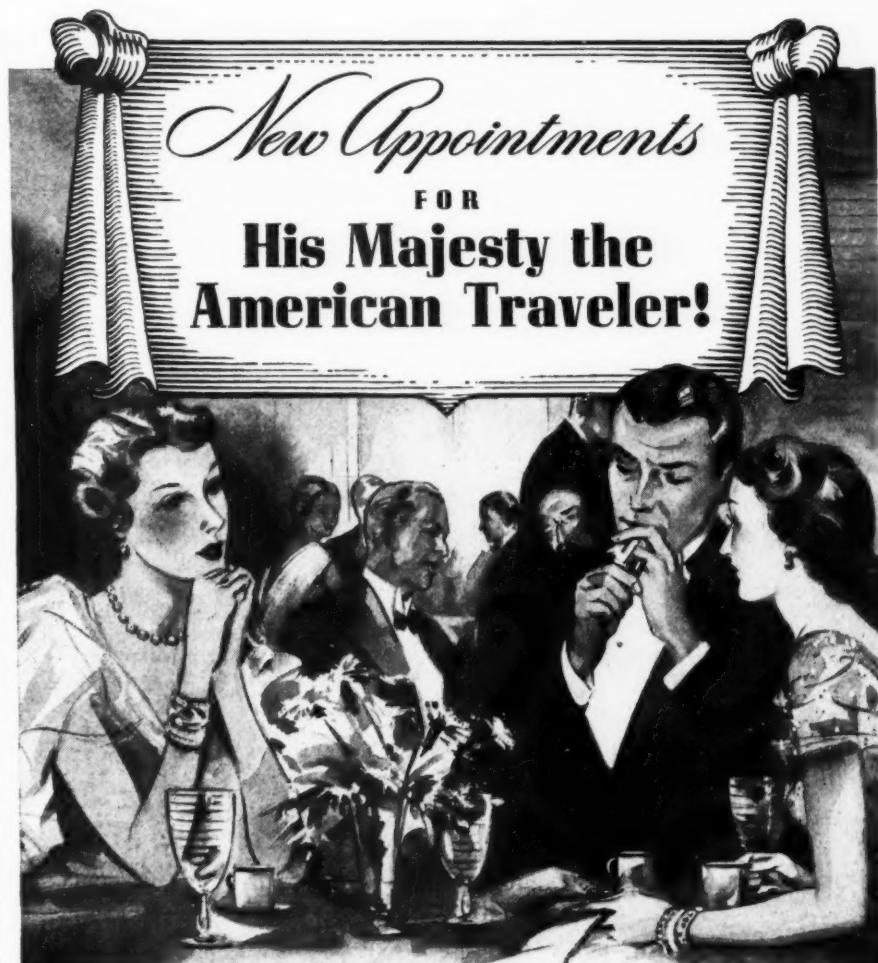
The association has prepared a display of the items, identifying the maker and the seller, and has placed over it a large sign which reads:

"How Were Your Xmas Sales, Chicago Retailers?"

Those battling against industrial selling, which is giving special discounts to favored groups, contend that manufacturers and wholesalers who permit these practices are the enemies of retailers and are, in effect, cutting their own throats because they have to depend, in the end, on retailers for a continuous outlet for their products.

As a result of the campaign, which has been going on intermittently in Chicago for the last two years, a number of manufacturers have eliminated the practice. The above-mentioned militant display is being shown at the Merchandise Mart where it can be seen by the thousands of retail buyers who come to Chicago.

A considerable number of retail buyers have threatened to boycott firms continuing the practice, thus hoping to club them into line.



NEW ITALIAN TERRACE...A colorful, glamorous new room, one of the most beautiful in America. Dancing nightly to the music of famous orchestras.

New appointments to make even better one of America's finest hotels. New appointments to give you richer value for every penny you spend with us. "On stage" and "back stage," close to a million dollars has gone into new appointments and equipment. You'll enjoy the rare beauty of the new Italian Terrace restaurant...and to boast of the marvelous dinners you enjoyed there! No matter how travel-weary you arrive, one glance around any one of the new bedrooms and your rest cure starts * You'll enjoy the smoother grace of living that marks the William Penn today. You've ranked the William Penn high among the country's finest...now you'll find it even better. May we welcome you soon?



Hotel **WILLIAM PENN**
PITTSBURGH
GERALD P. O'NEILL, General Manager

THIS IS THE PALM BEACH BILTMORE PLAN:

(A COMPLETE PALM BEACH
VACATION WITHIN THE MODERATE
AMERICAN PLAN RATES!)

1—Splendid accommodations, service and cuisine at this fine hotel, overlooking Palm Beach from its Infanta Gardens beside Lake Worth and the beautiful Lake Trail. A season's entertaining program of social events at the hotel.

2—Guest membership privileges (upon committee approval) in two exclusive Palm Beach Clubs for golf and surf bathing . . . the Sun and Surf Club, with its beach, pool, and clubhouse on the ocean . . . the Palm Beach Country Club, with its sea-to-lake golf course, finest on the island, spacious clubhouse and facilities for docking yachts and sports fishing craft.

3—Transportation via the hotel's private fleet of aerocars, luxurious parlor cars of the highways, from the Palm Beach Biltmore's door to all the vacation interests of the Palm Beach area.



For 1938, the Palm Beach Biltmore hotel offers this unique "complete vacation" plan. The moderate American plan tariffs include accommodations, meals, privileges of these two exclusive clubs, and local transportation via swift aerocars. We are confident everyone will agree that this plan adds a world of enjoyment to a sojourn at Palm Beach, with new convenience of vacation living and remarkable economy.

● For further information about the Palm Beach Biltmore and the Palm Beach area, communicate directly with the hotel, with the New York office at 551 Fifth Avenue, telephone MURray Hill 2-0521, or the Chicago office at 120 South La Salle Street, telephone FRanklin 4645.

Palm Beach **BILTMORE**
PALM BEACH

*Opens January—Under the same ownership and direction
as the British Colonial Hotel, Nassau, Bahamas.*



MEDIA AND AGENCIES

Media Promotions, Statistics, Bright Spots and Shifting Personnel . . . Headlines of the Advertising World

Nationally Advertised Brands Week—February 24-March 5

Up through the years the number of promotional "weeks" has climbed. The last time we inquired—during "milk week," last November—there were about 64. About 12 too many for any normal year to manage.

All are concerned with special nationwide promotion. Usually the dominant factors are themselves national advertisers. And oftener than not—from cheese and macaroni weeks to cherry and lima bean weeks to tea week and bock beer season—food and grocery products are the beneficiaries.

M. M. Zimmerman—who has surveyed the field of grocery distribution and advertising for 25 years—thought it logical and generally worth while, therefore, to initiate a "Nationally Advertised Brands Week."

He did so last October, as editor of *Super Market Merchandising*—setting the dates of the first annual "week" as February 24 to March 5, inclusive. That meant nine shopping days, including two Thursdays, Fridays and Saturdays.

Super markets had become a potent factor in distributing, nationally advertised products. In the last year the number of super markets in the country, Mr. Zimmerman estimated, has grown from 1,200 to 3,200—exclusive of the increasing number of such markets operated by corporate chains. (A. & P. now has about 250, and Kroger, Safeway and others are expanding in this field.) The "regular supers" alone did about \$1,000,000,000 of business in 1937. This was more than double their volume in 1936. Although some operate drug, household equipment and other departments, the great bulk of their business is in foods.

Even more than size, the distinguishing feature of "supers" is *self-service*. The distinguishing feature of nationally advertised brands is *known quality and quantity*. So supers specialize in such brands. They do a whopping business because, the brand and

price being clearly marked, the consumer, in a few minutes, can stock up her pantry and refrigerator for a week, without having to ask a lot of questions, and without being asked any. Because of the volume, and the proportionately lower overhead and salary costs, the prices usually are less.

But only *known brands* can make such a speedy self-service system work.

In addition to emphasizing nationally advertised brands, the supers are doing more advertising on their own. Between 1934 and 1936, Mr. Zimmerman found, chain store lineage in newspapers of 60 cities declined from 27,675,559 to 19,616,750, and voluntary group lineage from 4,514,835 to 3,773,822. In the same cities and in the same period, super market lineage rose from 5,149,715 to 12,326,226.

In other words, while the chains' share of the total of the three fell from 74 to 55%, and the voluntary groups' from 12 to 10%, the supers' rose from 14 to 35%.

With the chains and voluntaries relatively more inclined to stress private brands, the super markets' advertising gain has helped to strengthen national brands.

Last September Mr. Zimmerman took the initiative in organizing the Super Market Institute, of which he is now executive secretary. This institute embraces some 200 of the major operators in the country—virtually all of whom will participate actively in "Nationally Advertised Brands Week."

President of the institute is W. H. Albers of Cincinnati. For many years head of Kroger Grocery & Baking Co., Cincinnati, a chain now operating more than 4,000 stores, he then organized the Albers Super Markets of 10 units in that area.

Addressing Associated Grocery Manufacturers of America in New York in December, Mr. Albers pointed out that super markets can do these things for the manufacturer:

"1. Give preference to and support advertised foods;

"2. Sell advertised foods at right prices to the consumer;

"3. Give preferred and featured advertising;

"4. Have prominent mass displays and complete stocks, and

"5. Develop consumer acceptance."

In return, he added, the manufacturers should "pay super markets—who are your strongest supporters; who can do you the greatest good; who are your front-line troops fighting private brands for the advertising, the displays, the demonstrations and the promotions on the basis of what they are worth to you."

The super markets are ready for "Nationally Advertised Brands Week." And so are the manufacturers. Associated Grocery Manufacturers of America has endorsed it. Many of the association's 350 members will cooperate in it.

Seventy-five grocery product advertisers announced their plans to participate in the January issue of *Super Market Merchandising*. About 90 of them will be in the February issue—to appear February 1.

They include what Mr. Zimmerman describes as the "blue chips" of their industry—among them General Foods and General Mills, Beech-Nut and Del Monte, Colgate, Lever Bros. and Procter & Gamble, Florida Citrus Commission and Hawaiian Pineapple Producers Association, Hills Bros. (Dromedary products) and Knox Gelatine, General and Ward Baking, Morton and Worcester salt, Sunshine and National biscuit, Gerber and Heinz, Corn Products and Penick & Ford, Jergens-Woodbury and Ponds Extract, the Salmon Industry and Maine potatoes, Wilbert Products and Manhattan Soap, Standard Brands and Quaker Oats.

Super Market Merchandising has prepared 22x33-inch pennants on the week for manufacturers and 40x60-inch pennants (both in color) for super markets. At this writing about 50 manufacturers have bought pennants for super market displays, and are developing other point-of-sale material to emphasize their products in other types of outlets. The national advertisers will stress the week in their advertising—magazine, newspaper, radio, outdoor, etc. (Bond Bread, for example, will plug it in the Guy Lombardo network program.)

Mr. Zimmerman estimated that "50% of the better type retail outlets in all branches of the food industry" will take part in this first recognition of the week. Independent Grocers' Alliance, for example, and its 10,000 affiliated stores . . . Wholesalers and corporate chains.

Magazines—including *McCall's* and *Life*—will put their weight behind the week.

So will hundreds of newspapers. *Super Market Merchandising* announced a mat and cut service for them in a 12-page section in the January issue. Included are department mastheads—such as "canned goods," "bakery specials," choice meats at low prices, and general section mastheads for "Nationally Advertised Brands Week," with the theme, "Proving the Value of Known Quality and Quantity at Low Prices."

There are also newspaper layout suggestions—both standard size and tabloid, and 33 separate mats of brands. The service is sold to one account in a city.

It was expected that several hundred newspapers would participate in the promotion, with special sections ranging from three or four columns to several pages. For example, Arthur Neff, manager of the New England Newspapers' Advertising Bureau, is working with 100 newspapers in that area on the week.

An important keynote will be "no loss-leader selling."

SALES MANAGEMENT



Some 50 national brand manufacturers have already signed for such pennants as these.

McGraw-Hill Sends 25,000 Messages to Washington

In December issues of his 24 business papers serving many industries, James H. McGraw, Jr., president of McGraw-Hill Publishing Co., ran a big editorial headed "Congress Needs Your Guidance Now." It said that, to remedy today's economic conditions, nothing can take the place of private business expansion, but that if business is to resume its leadership, government must revise its tax policies. McGraw-Hill got back 25,000 signed "ballots" which Mr. McGraw has sent to Washington with a letter to congressmen. The 25,000 gave a 98% vote for revision of the following Federal taxes: The Undistributed Earnings Tax, the Capital Gains Tax, and surtaxes on large personal incomes.



Merrill C. Meigs, for many years publisher of the Chicago *Evening American*, has been appointed vice-president and general western manager of the Hearst Magazines, with headquarters in Chicago.

Indianapolis News Conducts Contest-Consumer Survey

By offering cash prizes the Indianapolis *News* was able to get a 20% return on a recent 125-question buying-habit survey among its readers. The survey was planned and conducted by the paper's advertising manager, Roger M. Reynolds, who pointed out that the purpose of the survey was to learn the buying habits of *News* readers only, not to get information about competitors. Questions asked covered every household commodity and were very detailed. First prize was \$500, second, \$250, third, \$100, and there were numerous other cash prizes.

Department Store Economist Starts with 43 Ad Pages

The new business paper, *Department Store Economist*, which goes to a controlled circulation of 30,000 department store owners, executives, merchandise managers and buyers on the 10th and 25th of each month, appeared January 25 with 74 pages, of which 43 pages were sold to advertisers. This robust, handsomely-designed paper using large-size pages—11 by 15 1/4 in. overall—is published by Department Store Publishing Corp., 239 West 30th Street, New York. P. M. Fahrendorf is president.

1937 Advertising Tops 1936

Advertising in 1937 in the three largest media groups showed a gain over 1936, with the greatest gain made by radio—16.1%, followed by magazines—14.15%, and newspapers—2.1%. Total billings of the three largest radio networks follow:

1936....\$59,687,639

1937....69,309,506 (up 16.1%)

Analysis of 24 industrial classifications of



Specify Hammermill Cover to make a good impression and keep your sales message working for you

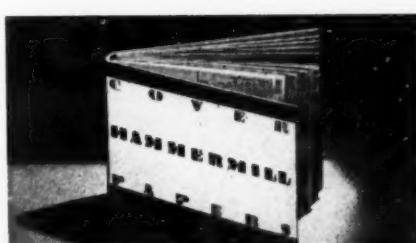
WHEN YOU WANT your catalog or booklet to get a favorable reception . . . when you want to prolong its life and effectiveness . . . when you want it to do the best possible job for you—give it an attractive and durable cover.

HAMMERMILL COVER is doing all these things and doing them economically, for many buyers of printing. Its colors are modern, rich and brilliant. Its printability is a byword among printers. Its strength and durability have been proved in more than twenty years of service. Use Hammermill Cover to keep your sales message alive and selling.

YOU WILL SAVE money by standardizing on Hammermill Cover. Because it is alike on both sides in color and printing qual-

ties, it permits the economy of "work-and-turn" press runs. The moderate price of Hammermill Cover is based on large-scale production in an integrated mill.

MAIL COUPON for this 48-page **HAMMERMILL COVER SAMPLE BOOK**. It enables you to visualize the 502 items in which Hammermill Cover can be obtained by your printer. Let Hammermill Cover help you create more effective sales literature.



MAIL COUPON FOR SAMPLE BOOK NOW



Hammermill Paper Company, Erie, Pa. SM-Fe-1
Please send, without charge, the new sample book of Hammermill Cover Papers.

Name _____

Position _____
(Please attach to your business letterhead)



WHAT IS THIS STRANGE POWER I HAVE OVER PROSPECTS?

Since My Firm Sent Out Those
AUTOPOINT PENCILS!

"Man, am I a salesman! Yet things were never like this before my boss sent out those swell Autopoint pencils to all my prospects! They really did the trick! They're imprinted with our firm name and sales message . . . and say, my sales record sure tells the story! I get in to see my prospects easier, and I sell them quicker!"

Let our fact-filled book, "The Human Side of Sales Strategy," tell you how more than 6,000 firms have proved the sales-building value of imprinted Autopoint pencils. Write for your copy today! No intolerable solicitation!

IF YOU WRITE... IT'S EASIER WITH
Autopoint
The Better Pencil
AUTOPONT COMPANY, Dept. SM-2
1801 Foster Avenue, Chicago, Illinois



The 15 Leading Magazines

(In thousands of dollars)

	1937		1936		1935
1. <i>Saturday Evening Post</i> . . .	26,602	1. <i>Saturday Evening Post</i> . . .	26,311	1. <i>Saturday Evening Post</i> . . .	22,134
2. <i>Collier's</i> . . .	13,063	2. <i>Collier's</i> . . .	11,351	2. <i>Collier's</i> . . .	9,209
3. <i>Good House-keeping</i> . . .	9,037	3. <i>The American Weekly</i> . . .	9,468	3. <i>Good House-keeping</i> . . .	8,081
4. <i>The American Weekly</i> . . .	8,830	4. <i>Good House-keeping</i> . . .	8,744	4. <i>Ladies' Home Journal</i> . . .	7,242
5. <i>Time</i> . . .	8,194	5. <i>Ladies' Home Journal</i> . . .	7,579	5. <i>Woman's Home Companion</i> . . .	6,671
6. <i>Life</i> . . .	7,755	6. <i>Time</i> . . .	7,164	6. <i>The American Weekly</i> . . .	6,565
7. <i>Woman's Home Companion</i> . . .	7,613	7. <i>Woman's Home Companion</i> . . .	7,063	7. <i>McCall's</i> . . .	5,801
8. <i>Ladies' Home Journal</i> . . .	7,298	8. <i>McCall's</i> . . .	6,286	8. <i>Time</i> . . .	5,117
9. <i>McCall's</i> . . .	5,920	9. <i>Cosmopolitan</i> . . .	3,338	9. <i>Cosmopolitan</i> . . .	3,395
10. <i>True Story</i> . . .	3,962	10. <i>True Story</i> . . .	3,140	10. <i>Liberty</i> . . .	2,965
11. <i>Esquire</i> . . .	3,818	11. <i>Liberty</i> . . .	3,128	11. <i>American</i> . . .	2,634
12. <i>Cosmopolitan</i> . . .	3,720	12. <i>American</i> . . .	3,094	12. <i>True Story</i> . . .	2,570
13. <i>Vogue</i> . . .	3,611	13. <i>Vogue</i> . . .	3,000	13. <i>Vogue</i> . . .	2,545
14. <i>Liberty</i> . . .	3,492	14. <i>Esquire</i> . . .	2,654	14. <i>New Yorker</i> . . .	2,445
15. <i>American</i> . . .	3,476	15. <i>Better Homes & Gardens</i> . . .	2,622	15. <i>Pictorial Review</i> . . .	2,301

Source: Publishers Information Bureau, Inc.

radio advertising over NBC and CBS networks shows only six losses (including miscellaneous, which contained political time), one of the six—office equipment—passing out of the picture completely. The next greatest loss was shown by schools and correspondence courses—91%, followed by clothing—62%. The bright side

of the picture shows the following leading in gains from 1937 over 1936: Shoes and leather, 117.6%; financial and insurance, 91%; laundry soaps and household supplies, 62%; machinery and farm equipment, and stationery and publications, 55%; radios and musical, 54%; tobacco, 47%; wines and beers, 38%; and automobiles, 22%.

Total newspaper lineage, as compiled by Media Records, Inc., was:

1936 . . . \$1,380,121,457

1937 . . . 1,409,666,418 (up 2.1%)

Magazine lineage figures, compiled by the Publishers' Information Bureau, were as follows:

1936 . . . \$152,413,397

1937 . . . 173,981,010

The magazines leading the field in 1937, 1936 and in 1935 are given with their lineage in the box above.

Classifications showing the greatest gains in national magazine advertising were electric structural equipment, 92%; machinery, 65%; kitchen supplies, 65%; beer, wines and liquors, 51%; jewelry, clocks and watches, 40%; house furnishings, 33%; travel and accommodations, 31%; and structural fixtures, 30%. Only five losses were recorded among the 27 classifications, the greatest being sustained by radios, 10%, and soaps and cleansers, 9%.

1937 outdoor advertising was 17% above 1936, according to Outdoor Advertising, Inc.; and *Industrial Marketing*, from a survey of 100 trade, class and industrial publications, estimates a similar rise in those fields.

Advertising News

C. P. Clark, Inc., Nashville, Tenn., has opened a new branch office in Louisville, Ky. A. Wayne Johns, who recently resigned as advertising manager of Brown-Forman Distillery, is in charge.

Edward W. Garbisch has been appointed vice-president in charge of merchandising and marketing of Ruthrauff & Ryan, Inc.

Frank Coutant has rejoined the New York agency of Pedlar & Ryan, Inc. He will be succeeded as director of research at Brown & Tarcher, Inc., by Frank T.

Better Salesmanship with THE MASTER SALESMAN

ILLUSTRAVOX TELLS YOUR STORY IN VOICE AND PICTURES IN THE MOST CONVINCING AND DRAMATIC WAY EVERY TIME.

TRAIN SALES MEN—MAKES SALES TO INCREASE YOUR 1938 SALES AND PROFITS BE SURE TO INCLUDE ILLUSTRAVOX AND SOUND SLIDE FILM IN YOUR TRAINING PROGRAM!

ILLUSTRAVOX JUNIOR
WRITE FOR MORE INFORMATION

ELECTRO-ACOUSTIC PRODUCTS COMPANY
Subsidiary of the Magnavox Company
FORT WAYNE, INDIANA



This picture, called "The Lonely Sentinel," was chosen last Fall by the National Process Co., New York, to illustrate its 1938 calendar. It has brought favorable comments from advertisers, agencies and manufacturers, and the company was proud of its choice. But now it has won first prize for its taker, Vincent Lopez of Brooklyn, at the New York Press Photographers Association exhibit at Rockefeller Plaza, and National Process is tickled pink. (Picture copyrighted, 1937, by Vincent Lopez.)

Hypp, who comes from the teaching staff of the Wharton School of Finance and Commerce, University of Pennsylvania. Brown & Tarcher also announce that they have acquired the services of Arthur A. Judson and Roy Quinlan.



Not content with having traveled more than 1,000,000 miles on this continent, Charles Coolidge Parlin has resigned from Curtis Publishing Co. and will shortly embark on a round-the-world trip. Twenty-five years ago he founded the Commercial Research Division of Curtis, and is credited with having made the first fact-finding industrial report in history. Mr. Parlin was a pioneer in the study of manufacturers' markets from the consumer's point of view, in census of distribution reports on department stores, and in such things that we take for granted now as graphic presentations of factual material. He has conducted hundreds of fact-finding surveys and has written more than a dozen authoritative pamphlets on marketing.

Mr. Parlin's successor as manager of the Commercial Research Division is Donald M. Hobart. Mr. Hobart joined Curtis in 1923 upon graduation from the Wharton School of the University of Pennsylvania. He has worked closely with Mr. Parlin for five years.

Media Notes

Frank B. Noyes, president of the Associated Press, will retire from that position at the expiration of his term in April. He will continue as president of the Washington (D. C.) *Evening Star*. He joined the press association movement in 1893. When the Associated Press was formed in 1900 he became its first president and has been head of the organization ever since.

Simplicity magazine has organized a plan

and research department under the direction of Myron Muench, formerly with *The American Weekly*. Harry C. Baldwin, previously associated with the National Advertising Service, Inc., has joined the Chicago office of the magazine.

Roland Cole, formerly of electrical publications of the McGraw-Hill Publishing Co., and of *Printers' Ink*, has been named editor of *Electrical Dealer*, Chicago . . . C. J. Hackett, formerly of the New York *News*, has joined the sales staff of Street & Smith Publications, and Kermit J. Moss, formerly associated with Cecil, Warwick & Legler, the sales staff of *Picture Play*, a Street & Smith publication.

Reuel D. Harmon has been appointed publisher of the *Farmer's Wife* magazine . . . Joseph Mehr has been promoted to advertising director of *Modern Brewer* . . . W. Edwin Clapham, formerly director of research of station WOR, has become assistant to Harlan Logan, publisher of *Scribner's*.

SHREDDED WHEAT ALSO ducks duplication for MUCH-NEW-MARKET

It's a magnificent trick if you can do it, and you can! Like Shredded Wheat and the Federal Agency, you can have all of 48-million circulation on your magazine list, and yet you can add a circulation of 1,750,000 that will be mostly **ALL-NEW-MARKET-FOR-YOU**.

This 1,750,000 of **HOUSEHOLD MAGAZINE** circulation is the largest unit you can buy in Small Town America specifically. Recovery is farthest along in Small Town America specifically. All your metropolitan books—plus Radio!—are ineffective in Small Town America specifically, compared to **HOUSEHOLD**'s 1,750,000. Thus, no matter how big your metropolitan list, here is mostly all **NEW-MARKET-FOR-YOU**.

**Is YOUR List as Good
as Your Distribution?**



**THE
HOUSEHOLD
MAGAZINE** Arthur Capper, Publisher, Topeka, Kansas

NEW YORK

CHICAGO

DETROIT

SAN FRANCISCO



The prosperous Jackson Market, which has recently acquired a \$3,500,000 Goodyear Tire plant, is always well toward the top among favored marketing areas. There are 150,000 persons in the retail trading area, and the Jackson Citizen Patriot covers them at one-paper cost. Write or call I. A. Klein, 50 East or 42nd Street, New York, or John E. Lutz, 435 N. Michigan Avenue, Chicago.

*The JACKSON
Citizen-Patriot
Covers it Completely*

**BOOTH
Michigan
NEWSPAPERS**

"Your Michigan Market Outlets
of Detroit"
Grand Rapids Press
Saginaw News
Jackson Citizen Patriot
Kalamazoo Gazette
Muskegon Chronicle
Bay City Times
Ann Arbor News

BE WISE...

Experienced travelers judge for themselves. That's why you hear so many men and women say, "I always stop at Albert Pick Hotels." The superior service, unusual comfort, splendid cuisine and price economy of these fine hotels merit your patronage.

STOP AT ANY OF THESE

17

ALBERT PICK HOTELS

CHICAGO, ILL. GREAT NORTHERN
DETROIT, MICHIGAN TULLER
DAYTON, OHIO MIAMI
COLUMBUS, OHIO CHITTENDEN
COLUMBUS, OHIO FORT HAYES
TOLEDO, OHIO FORT MEIGS
CINCINNATI, OHIO FOUNTAIN SQUARE
CANTON, OHIO BELDEN
ST. LOUIS, MO. MARK TWAIN

INDIANAPOLIS, INDIANA ANTLERS
SOUTH BEND, INDIANA OLIVER
ANDERSON, INDIANA ANDERSON
TERRE HAUTE, INDIANA TERRE HAUTE
JACKSON, TENNESSEE NEW SOUTHERN
ASHLAND, KENTUCKY VENTURA
OWENSBORO, KENTUCKY OWENSBORO
WACO, TEXAS RALEIGH

5000 ROOMS



IN 8 STATES



Blackstone

Earle H. McHugh, vice-president and general advertising director, Hearst Magazines, was recently elected president of the Periodical Publishers' Association for 1938. J. A. Welch, vice-president and advertising director, Crowell Publications, was elected vice-president, and Malcolm MacHarg, vice-president and advertising director of McCall Corp., was elected secretary-treasurer.

Emanuel Levi has been made publisher of the *Chicago American*. He will continue as publisher of the *Herald & Examiner* . . . A. H. (Red) Motley is now western advertising manager of *Collier's* and the *American* magazine. New rate cards have been issued for both publications: *Collier's* line rate is \$10.25 and *American's* \$12, based on circulations of 2,500,000 and 2,050,000, respectively.

To *Newsweek*: Ernest K. Lindley, formerly on the Washington staff of the *New York Herald Tribune*, as its Washington correspondent, and Joseph B. Phillips, well-known as a foreign correspondent for the *Herald Tribune*. The publishers announce a circulation at present of 300,000, a gain of 100,000 over last year.

Advertising in *Iron Age* indicates that the metal working industry is going aggressively after business in 1938. The annual review and statistical number of that publication, issued January 10, carried 342 pages of advertising, with a total folio of 566 pages. Advance contracts as of December for 1938 exceeded in dollar volume that of any December in its history.

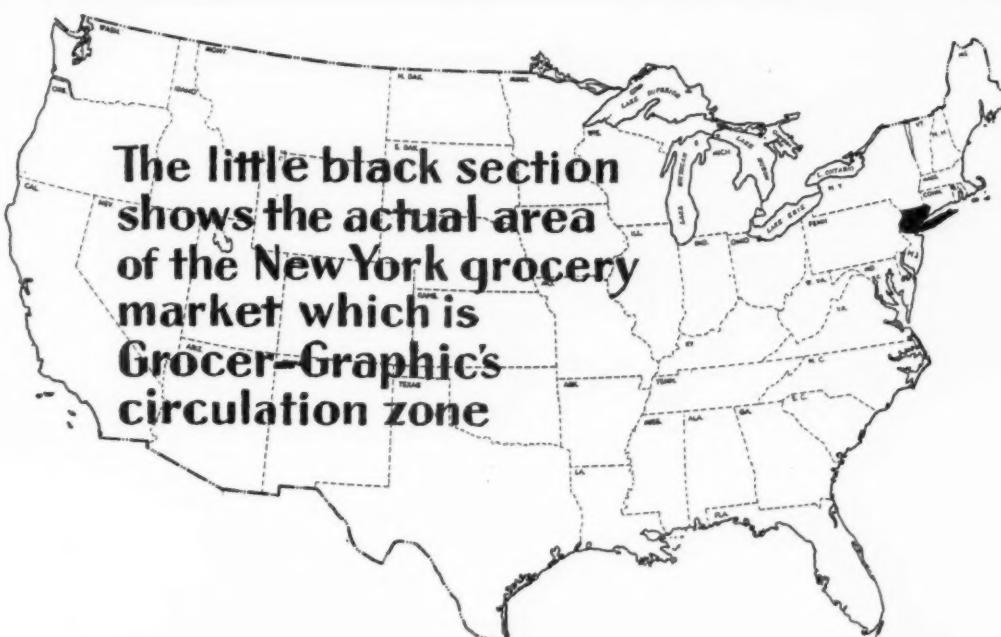


William M. McNamee has been appointed advertising director of both the *Chicago Herald & Examiner* and the *Evening American*. He had been advertising director of the *American* since 1926.

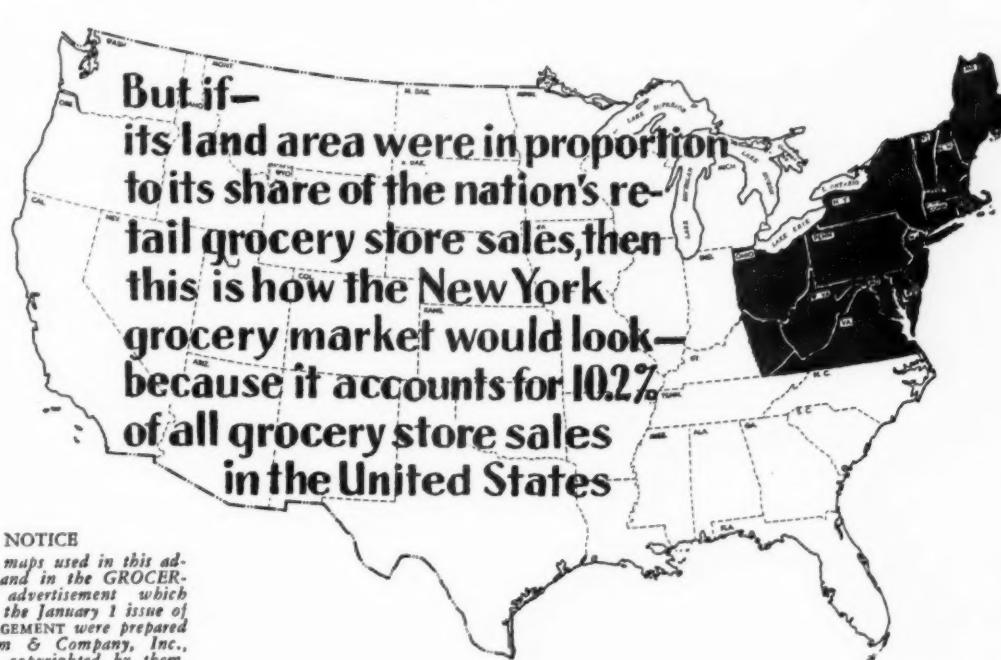
Agency Appointments

Kaffe Hag to Young & Rubicam, Inc., New York . . . Akron *Beacon Journal* to Jessop Advertising Co., Akron . . . National Live Stock and Meat Board and Kenway Venetian Blind Co., Galesburg, Ill., to Campbell-Ewald Co., Chicago.

To Batten, Barton, Durstine & Osborne, Inc., Minneapolis: Fenn Bros., Inc., Sioux Fall, S. D. (Walnut Crush and Blue Seal Nougat candy bars); Lake Superior District Power Co., Ashland, Wis.; March of Minnesota, Inc., Minneapolis.



**The little black section
shows the actual area
of the New York grocery
market which is
Grocer-Graphic's
circulation zone**



**But if—
its land area were in proportion
to its share of the nation's re-
tail grocery store sales, then
this is how the New York
grocery market would look—
because it accounts for 10.2%
of all grocery store sales
in the United States**

NOTICE

*The outline maps used in this ad-
vertisement and in the GROCER-
GRAPHIC advertisement which
appeared in the January 1 issue of
SALES MANAGEMENT were prepared
by Hagstrom & Company, Inc.,
New York, copyrighted by them,
and reproduced with their permis-
sion.*

Every Tuesday morning the leading 16,000 independent grocers in the New York market, who average better than \$1,000,000 in sales each business day, reach for Grocer-Graphic . . . The tabloid newspaper that really serves their vital needs.

To Increase your Sales in the New York Market, use

GROCER-GRAPHIC

Read by the Man on the Selling Line

420 Lexington Ave., New York

Tel. MOhawk 4-1760

If you want reports on—

- which advertisements create the strongest impression on consumers
- whether consumers are becoming more or less conscious of advertising
- why they like or dislike advertisements
- how they rate advertisements of various brands of products

subscribe to MARKET RESEARCH, a monthly publication, the only magazine devoted exclusively to this field.

With each new subscription we will give seven reports on the reactions of 5,000 representative consumers toward current advertising. These surveys were made by the Market Research Corporation of America for **SALES MANAGEMENT**, from which they are reprinted by permission.

Offer holds only while copies of surveys last

MARKET RESEARCH
Rockefeller Center, New York

Please send me the seven reports and enter my subscription for one year for **MARKET RESEARCH**.

I enclose \$2. (Foreign, \$3.)

Name

Address

Business Connection

[76]

Marketing Flashes

Finding in Advance If It Will Sell—How's Business 2,000,000 Times—Radio Gets More Complicated

Guess Remover

Pro-phy-lac-tic Brush Co., Florence, Mass., doesn't believe in ordering a batch of display units for retailers' counters and then trusting to luck that they will sell brushes. Pre-testing is better.

Testing, however, that is worth a hoot must be done under actual store conditions. That's where Dowd's Merchandisers, Inc., Boston, come in. The organization, under the direction of President J. H. Dowd, has agreements with 200 groceries and 100 drug stores in Metropolitan Hartford to act as working laboratories. Stores are generally non-competitive and represent key outlets in various neighborhoods.

Over a 60-day period the firm's display stand hiked tooth brush sales 73% in 71 stores. In 11 downtown Class A stores, with heavy traffic, sales spurted 150%. No advertising or sales promotion of any sort was used.

In addition to testing the display unit, Pro-phy-lac-tic at the same time studied sales under Fair Trade contracts, accurately determining that goods at Fair Trade prices, well displayed, move rapidly. (It operates under FT contracts in 42 states, hence is interested.) Results of the test are appearing in a sales promotion campaign in conjunction with an offer of merchandise and displays.

McK & R and Bitters

From now (February 1) on, McKesson & Robbins will act as distributor of Angostura bitters throughout the U.S., except in the seven Pacific Coast states. There Parrott & Co., San Francisco, will continue as Angostura-Wuppermann Corp.'s representatives.

Dr. Siegert's preparation, perfected by him in 1824 in Venezuela, but at present made in Norwalk, Conn., fits logically into McK & R's line of drugs and liquors. Angostura will continue to look after the sale of its bitters in bulk to the meat, fish and vegetable packing industries. Within the last few years a dash of bitters as a flavor added to sausage and other packing house products has grown in favor.

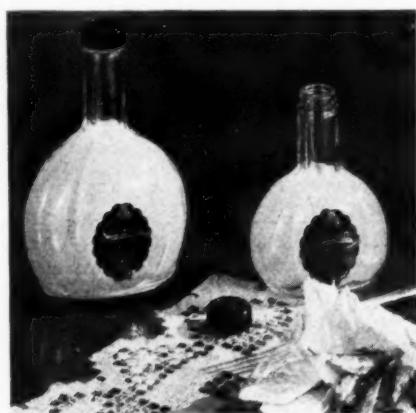
Pulse Taker

Dun & Bradstreet is asking every manufacturer, wholesaler, jobber and retailer in the country—2,000,000 in all—"how's business?" Question-

naires have gone out requesting information on annual sales volume, inventory, receivables, expenditures for additions and improvements for 1935, '36 and '37.

Through the last item it is hoped to learn the attitude of business men toward permanent investment under present economic conditions. All information will be kept confidential, and results will be computed in totals and averages.

Two months, it is estimated, are required to sort and tabulate the replies. This survey, "most ambitious ever undertaken by an independent organization," replaces D & B's retail survey which was conducted for the past four years.



Artificial lemon juice won't spoil.

Cetron

Mission Dry Corp., Los Angeles, introduces "Cetron," a synthetic lemon juice "not subject to the spoilage difficulties such as are encountered in handling either fresh or canned lemon juice." It may be kept in the refrigerator or not, just as the user prefers.

Recommended for mixing in drinks, in foods, as a hair rinse or anywhere else that real lemon juice is used, Cetron has met with an immediate favorable reception from the trade. The carafe-type containers are by Owens-Illinois Pacific Coast Co.

Swoon with Motorola

To be precise, the name of the catalog which Galvin Manufacturing Corp., Chicago, is passing out to dealers is titled "Zoom with Motorola." Our name is probably more accurate, though, for the 1938 models of auto radios are enough to give old fogies

acute attacks of the vapors. Consider:

It was formerly necessary for radio dialers to be able to read the station call letters. Now Motorola has "Push Button Network Tuning . . . Colored buttons which identify the various networks . . . A red button for NBC Red, a blue button for NBC blue, green for Columbia, and yellow for Mutual . . .

"Women generally agree it makes tuning much easier to remember — there is a decided advantage in favor of a color over a call letter. When you wish to hear Jack Benny . . . press the red button," explains Motorola's agency, Albert Kircher Co., Chicago. In other words, Benny's name begins with a "B," so you do *not* press the blue button, which also begins with a "b." Instead, press the yellow and green buttons, then cheat and look at the little tab which says, if you haven't forgotten how to read, "WEAF." That's Benny. Simple. These radio fellows are making life easier every day.

For 1,500

Western Auto Stores, Kansas City, is training salesmen in its 1,500 owned and affiliated stores with a 55-minute film that gets away from hackneyed blah-blah.

Initial shot is of a wedding announcement, accompanied by strains of the wedding march. Mr. and Mrs. Bill West start their honeymoon in an old car. Wedding night scenes gain laughs from Bill's preoccupation with the need for getting a new battery.

He buys a "Wizard" (W. A. brand) from a Western Auto store. The salesman jumps him from a \$2.95 to a \$6.95 battery by making the neat point that the latter is cheapest. How? The \$2.95 unit is guaranteed six months, so that it costs 49 cents a month. The \$6.95 is guaranteed 24 months, which makes the cost less than 29 cents a month.

Returned from honeymooning, Bill finds his job gone and his battery run down. Plenty annoyed, he goes to a W. A. store, is promised a recharge and an examination of the motor for a short the battery man feels must exist.

He is so impressed with W. A. service that he asks for a job, goes to work, and is given a sales talk by the store manager. The manager outlines the company's sales manual and explains the system.

From a group picture on the wall executives of the company come to life in the picture and the manager explains their jobs and careers. Other officers elucidate more training points.

Film by Calvin Co., Kansas City.

**SAMPLE SHIPMENT
CARRIES PRESTIGE BY
AIR EXPRESS**



Big buyer mildly interested. Smart salesman wired factory to rush new samples overnight by AIR EXPRESS. Super-speed service impressed buyer and full line sold. New sales psychology used—sales orders, Air Express style goods, special boom! rush refills—anything—2500 miles over night. Nation-wide service; also to Canada, Latin America, Honolulu, Far East. Phone RAILWAY EXPRESS Agency—AIR EXPRESS Division.

**HERE'S A REAL BUY
when you're in Chicago!**

Stay at the Allerton Hotel . . . within walking distance of offices, stores, factories, theaters, restaurants, night clubs . . . yet located out of the Loop in Chicago's famous Michigan Avenue.

← A Suite Like This \$6.00
for 2 persons
Twin Beds—Parlor—Bath . . .

↓ A Single Room Like This \$3.00
with
Private Bath . . .

Radios in Every Room • Special Weekly and Monthly Rates

HOTEL Allerton
MICHIGAN AT HURON . . . CHICAGO

"CLOSE TO EVERYTHING"

JOHN P. HARDING
HARDING HOTEL
MANAGEMENT
KEN WILLIAMS, MANAG.



GIBBONS KNOWS CANADA
J. J. GIBBONS LIMITED • ADVERTISING AGENTS





"The Note Says He Just Couldn't Wait to Attend a Sale He Heard About Over WHB"

PHOTOSTATS
COMMERCE PHOTO-PRINT
CORPORATION
1 WALL STREET
233 Broadway **56 Pine St.**
80 Maiden Lane **33 W. 42nd St.**
Digby 4-9135-6-7-8

NEW-
JUST OFF THE PRESS
HAGSTROM'S
Outline Maps
of
NEW ENGLAND
AND THE
PHILADELPHIA
TRADING AREA
Up-to-date maps of two
rich markets.
Send for details and prices.

HAGSTROM CO., INC.,
20 Vesey St., New York, N.Y.

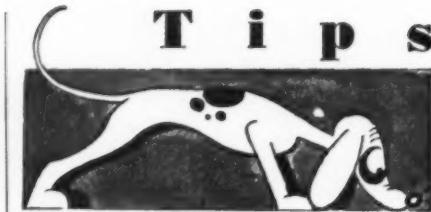
We are interested in:-

- New England map.
- Philadelphia Trading Area map.

Firm _____

Address _____

City _____ State _____



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office please use a separate letterhead for each booklet requested, to facilitate handling. The address is **SALES MANAGEMENT** Readers' Service Bureau, 420 Lexington Avenue, New York, N.Y.

Pictographs Show Canadian Market in Outstanding Study

Having adopted the pictograph method of presenting economic and marketing facts as a regular feature of the **SALES MANAGEMENT** editorial program, possibly we may be pardoned for a somewhat greater than usual interest in a market study which is 100% pictographic. Truly one of the most fascinating studies in recent months, *"The Canadian Market,"* published by the Canadian Daily Newspaper Association, is a monumental cooperative job, the like of which does not exist below the border, to our knowledge. As stated, the statistical data are presented entirely in pictographs, 54 charts in all, with brief explanatory notes and concluding index of sources. Each chart is presented on a folded double page, so that the effect is impressive in bulk as well as method. With white plastic binding, white covers protected by heavy transparent plastic outer sheets, the book is both durable and artistic.

So much for the form. Contents are designed to indicate, in logical order for the Dominion and each of its provinces, what the spectacular growth in recent years portends for the future development of this market. Today fourth among the principal trading countries of the world, exporting domestic products to more than 100 foreign countries, Canada is going beyond the limits of the empire built by wheat and establishing new frontiers of progress built on the development of its vast mineral resources.

The first 14 charts in the study deal with the Canadian market as a whole—growth of population; investments in Canada, and abroad; total production value and value by industries; distribution of industrial earners, and earnings by income tax groups; housing conditions, retail trade, advertising media coverage and indices of purchasing power. A listing of newspapers by provinces and cities, with circulations and line rates, concludes the Dominion study.

Following, for the Maritime market, the Quebec market, the Ontario, Prairie, and British Columbia markets are pictographs covering these identical factors: Growth of population, analysis of population by age and sex, net value of production 1926-36, analysis of production by principal industries 1926-36, distribution of gainfully occupied by industrial groups, housing conditions, retail trade 1926-35, comparative analysis of media coverage. Retail trade data include breakdowns showing classifications of stores, chain store activity, and amounts sold in urban, small town and rural communities.

This study should have a place in the

marketing headquarters of every manufacturer and agency doing business in Canada. We understand that, although recently published, distribution has been rapid and the present supply is somewhat limited. The cost is \$3, postpaid. Orders direct to Arthur Partridge, Canadian Daily Newspapers Association, 902 Excelsior Life Building, Toronto 2, Canada.

Fourteen Points on Radio As Viewed by H. K. Boice, CBS

"Radio" is the simple and inclusive title of a new booklet published by CBS for "executives who already know the ABC's of radio." It is reprinted, in fact, from the *Handbook of Advertising* (McGraw-Hill Book Co., Inc.), in which it represents radio advertising as viewed by H. K. Boice, vice-president in charge of sales of the Columbia Broadcasting System. Mr. Boice has divided his chapter into 14 typical questions frequently asked by men who want to make best use of the medium—and these 14 questions are repeated here to indicate the scope of a most interesting and factual study:

How big is radio? . . . Who listens, and how do we know? . . . How do we know they listen? . . . Is radio circulation "free circulation"? . . . What about "competition" on the air? . . . "But my product is different." . . . What about an institutional job with radio? . . . Are there any special reactions in "hearing" an advertisement? . . . What makes a program popular? . . . How responsive is the radio audience? . . . What are the uses of spot broadcasting? . . . Can I afford radio? . . . What about television? . . . Why is radio so effective?

You can read the 50 pages quickly—they're beautifully printed with ample spacing—and you'll probably check for double checking with your advertising associates some of the points driven home by a man who knows his radio. A request to Victor Ratner, Columbia Broadcasting System, 485 Madison Ave., New York, will bring your copy.

Country Home Increases Size

"A Great Little Magazine" is the title of a grand little promotion job, with which *Country Home* is announcing its change in size. The February issue will blossom out in 680-line page size—a good two inches more space, top and side, than in the former "little" book. The promotion booklet includes a complete copy of the February issue, full new size, and in effective contrast several pages of the former size which tell the story of the change. If interested in this new farm magazine development, and not on the mailing list, ask Malcolm Smith for a copy, addressing him c/o Crowell Publishing Co., 250 Park Avenue, New York.

When Are Premiums Illegal?

When, where, and under what conditions can "free goods" or "premiums" be used, without running foul of Federal or state laws? This question, before, during, and since NRA, has stirred members of the Institute of Distribution to seek the legal aid of that organization for advice. And the Institute has now brought out a report, *"Regulating the General Merchant's Use of 'Free Goods' or 'Premiums,'"* which is available to non-members as well as members of the Institute. The subject is covered from the two viewpoints of (1) Federal Laws, and (2)

State Laws. We believe the information presented is the most complete and most up-to-date analysis of this subject available under one cover, and recommend it to all interested readers. Requests, with the fee of 50 cents per copy, to John P. Nichols, Institute of Distribution, Inc., 570 Seventh Avenue, New York.

Broadcasting Atlas Gives Station Coverage

The coverage of more than 400 commercial broadcasting stations is shown in a series of map studies just published by Walter P. Burn & Associates under the name of "Radio Broadcasting Analysis." Coverage claims vary widely for stations of equal power and, as shown by the allocation study of the Federal Communications Commission, frequency and soil conditions are fully as important as power allotment in determining the range of a station signal. The atlas groups stations according to power. In addition to the maps on station claims is one on the number of radios per square mile, according to latest estimates. This is given by five tones printed in brown, while the map showing counties and cities is surprinted in black. Latest maps of the National Broadcasting Co.'s Red and Blue networks, the Columbia network and the Mutual network are also included. Walter Burn, who pioneered in these radio studies is the man who is responsible for the marketing exploration studies in *Printers' Ink Monthly*. The atlas, which is approximately 18 x 24 inches in size, is priced at \$5, and may be obtained from Mr. Burn, at 7 West 44th Street, New York.

Are Less Goods Consumed in Smaller Communities?

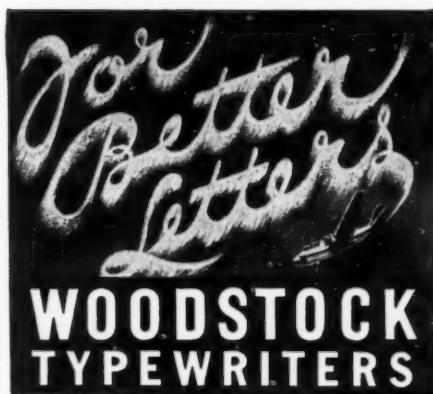
(Continued from page 68)

ever, for families of that city travel to Warren or to Youngstown to buy most of their clothing and home equipment.

Dr. Maynard directed a house-to-house study of the possessions of 75% of the families of Logan, population 6,050, and located 50 miles from Columbus. He found that 58% of the families shop regularly outside of

Logan. There were many variations: 71% of the magazine-reading families were regular shoppers in other cities, 82% of the high-income families, with only 35% of the low-income families, and 37% of the non-magazine-reading families.

Logan residents bought only 2% of their food in other cities, but 5% of their toilet goods, 8% of their cosmetics, 20% of their automobiles, 11% of their tires, 22% of their home appliances, and 18% of their house furnishings.



Personal Service and Supplies

Cash Basis Only. Remittance Must Accompany Order.

Classified Rates: 50c a line of seven words, minimum \$3.00. No display.

EXECUTIVES WANTED

SALARIED POSITIONS, \$2,500 to \$26,000. This thoroughly organized advertising service of 28 years recognized standing and reputation carries on preliminary negotiations for positions of the caliber indicated through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance for moderate cost of his own campaign. Retaining fee protected by a refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If you have actually earned over \$2,500, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N. Y.

PHOTO OFFSET

SYNTHETIC TYPE FOR PASTE-UPS. Cuts display type costs down to rock bottom. Many modern types available. Write for folder. Fototype, 625 West Washington, Chicago.

POSITIONS WANTED

PROFITABLE SALES

Sales and Advertising Executive wants opening in sales, advertising, purchasing and/or traffic work. Ten years charge industrial product but can handle anything. Experienced field selling, office sales, and advertising; some purchasing and traffic knowledge. Age 34, college graduate, aggressive, thoroughly capable and desirous assuming full responsibility for results. For an unusual investment in manpower, address Box 576, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

HAVING RECENTLY LIQUIDATED MY business in Chicago, I am now desirous of securing a connection with manufacturer as sales representative in Chicago, and territory surrounding. Although located in Chicago, would be willing to call at your office to discuss this matter. Can furnish satisfactory bank references. Box 577, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

SALES MANAGEMENT knows a sales manager who will be an exceptional executive for a company looking for or able to make a place for him. Thoroughly experienced in sales promotion, merchandising and advertising. Last twelve years on Pacific Coast, eight years branch manager San Francisco—doubled sales, cut selling costs 34%; four years branch manager Los Angeles—increased sales 50%, secured highest national per capita consumption his organization, with third lowest selling costs. Lives Los Angeles, but will locate anywhere. Available only because of reorganization. His references are tops. Write or wire Box 574, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

HELP WANTED

WANTED. CATHOLIC SALESMAN PREFERABLY Irish, capable of developing into Sales Manager. Age 35-50. Territory, Illinois and Missouri. Insurance experience an advantage. Want man now employed and successful, but interested in bettering himself. State experience and reference in first letter, which will be kept strictly confidential. Box 573, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

HOLLYWOOD ASSIGNMENTS

HOLLYWOOD ASSIGNMENTS Commercial—publicity stills on the movie lots—live house-organ copy—**BUSINESS FILMS** produced. A. B. LAING, established 6 years at 3626 Lankershim Blvd., Hollywood, Calif.

MANAGEMENT CONSULTANT

R. H. CARRINGTON 1207 Arlington Road, Lakewood, Cleveland. Twenty years constructive plant operation, sales, research.

Industrial Reorganization

PHOTO AD-CARDS

PHOTO AD-CARDS—NEW, NOVEL, EFFECTIVE mail-order selling. Economical and sure-fire results. Get samples quick. **GRAPHIC ARTS PHOTO SERVICE**, 291 Market St., Hamilton, Ohio.

MERCHANDISING SPECIALIST, COLLEGE man, forty, available immediately. His experience covers both the tangible and intangible. Well grounded in all merchandising and organization functions. Top ranking as salesman. Has served successfully in paper, engineering, electrical, mining and metal products fields. Fully capable of assuming full charge of all activities. Has nation-wide close contacts throughout industry and governments as a whole. A man who can actually dispose of products you manufacture for sale. Address reply Box 575, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

MISCELLANEOUS

HIGH GRADE

STENCIL DUPLICATOR INK

Rich black tone, quick drying, unexcelled for brilliancy and sharpness. Regular \$2.00 per lb. quality. Special introductory offer: 2 lbs. sent to you postpaid direct from the manufacturer for only \$1.50. J. L. Larson, Box 1101, Station B, Cleveland, Ohio.



HOTEL LENNOX
SAINT LOUIS

OVER 50% OF ALL ROOMS \$3.50 OR LESS, SINGLE; \$5.00 OR LESS, DOUBLE

COMMENT

BY RAY BILL



REWARDS FOR SALES ABILITY: This week we heard a remarkable story of the reorganization of an old-line company—the story of a plan which, in less than a year's time, pulled the company out of the red and paid a dividend to stockholders. Later we shall tell the story in detail in an article in *SALES MANAGEMENT*. Here we want to comment upon one phase of the firm's altered selling policy: The new attitude toward the sales force. When a new executive was placed in charge of marketing last year, one of the first things he did was to raise the salesmen's rate of commission on the product. At the same time this man endeavored to see as many of the men personally as was possible and to explain to them in detail how deeply the company was interested in their success—in seeing them make money. The effect was electric. The morale of the sales force underwent an amazing change for the better almost overnight, and, even with a slightly higher price for the product, they began to sell as they hadn't sold in years.

"One of the big troubles with many managements," this sales manager remarked, "is that they do not offer the men in the field sufficient opportunity to make an adequate income. Of course, you can't arbitrarily decide upon a raise in the commission rate without planning, from the ground up, for an adequate margin between the cost and the selling price to take care of a rate of pay high enough to act as a real incentive. My point is that frequently in sales planning we figure product design and manufacturing costs, factory labor, branch overhead, and advertising, and, after the price is set, we try to pay as little as we can to the men who have the job of getting the product into the hands of consumers. It seems to me this is a poor way of doing things. I believe we should decide, at the very outset, upon a compensation system which is attractive enough to interest high calibre men and to hold them, and coordinate it with all the other factors that go into market planning so that when price policies and discounts are finally decided upon, the salesmen will be properly taken care of.

"It's cheaper in the long run to pay men enough to keep them than it is to face the problem of excessive turnover and be constantly firing, hiring and re-training. Furthermore, let's remember that the final responsibility for selling the product lies in the hands of the salesmen, and if they feel they're not being given a share in any success

the company enjoys, if they are worried over financial matters from one year's end to another, if their morale is low and spirit is lacking, certainly they're never going to hang up any records for the management to be proud of."

Good sales talent is like any other quality product: You get what you pay for. Meagre rewards for salesmen who have demonstrated that they can deliver are the crux of the turnover problem in thousands of companies.

Don't let your salesmen plod along in the belief that they are only "working for" the company. Let them feel, rather, that the relationship is one of a partnership in which interests are identical. If they can make progressively more profit for the company through efficient performance, give them a generous enough share in the returns to justify their loyalty and to insure their futures.

◆ ◆ ◆

DU PONT FIGHTS BACK: Ferdinand Lundberg wrote, last Fall, and Vanguard Press published, a book dealing with the control over finance and production which is exercised by America's "sixty families." Soak-the-richers and trust-busters have been drawing upon it for articles and radio speeches. Customarily rich individuals and rich corporations have ignored such attacks.

But now the du Pont family is suing both author and publisher on a libel charge, and indicates that it is perfectly willing to carry the case into the courts and the newspapers. Regardless of how this particular case is decided in the courts, it is very probable that du Pont courage will work to the advantage of other corporations and prominent individuals through throwing a little fear into the muckrakers. Quite naturally they pulled no punches so long as they thought opponents would turn the other cheek.

A letter to the editor in the *New York Herald Tribune* the other day pointed out that business in its defences has been too slow, that "the time to reply to a newspaper headline is next day—not two weeks or a month afterward . . . The trouble with the conservatives has been they have wanted to cover too much ground in their pronouncements. Two or three basic concepts constantly hammered at will do far more good. The Association of American Railroads is currently giving a good example of how to do it by concentrating in its advertisements on the single objective—killing the seventy-car freight train bill."





NEW BROOMS . . .

ALL THE WHILE she's sweeping him off his feet he calls her "little angel" . . . Afterwards, it's "little White Wings"—she makes such a clean sweep every payday.

Although he may think *he's* Head of the House, *she's* Speaker—and she can introduce more new bills than a Senator with parrot fever . . . bills for housefurnishings, a radio, a car, a refrigerator, branded drugs and groceries, and all the other things they **MUST** have **NOW**.

For these young people are in the "Age of Accumulation"—those ten years, between 25 and 35, when they're as busy

chasing after goods as an old-time politician after votes. Only they don't go round kissing other people's babies. They've a couple of their own who need attention—and things to eat and wear.

Manufacturers entering candidates in this field will have a better chance of making their campaign a sweeping success if they secure the support of the Young People's Choice—Cosmopolitan. A larger percentage of citizens in the "Age of Accumulation" cast their votes for Cosmopolitan than for any other large national magazine.

NEWS and comment about the World's
Greatest Newspaper and its market.

From the

Pictures in the Paper

IVE decades ago Steve Brodie took that much publicized leap, and more than a million persons looked on as the Statue of Liberty was unveiled. An earthquake rocked Charleston, S. C., and the Haymarket bombings and riot rocked Chicago. A fire in the Opera Comique took the lives of 200 Parisians and a flood in the Hoang-Ho valley drowned more than 900,000 Chinese.

All these events are fresh in the memory of the man who fifty years ago helped to inaugurate the Chicago Tribune engraving department. No newspaper in the world was able to give its readers the photo stories of these picture-page naturals when Louis Racicot, head of the Tribune engraving department, and oldest member of the Tribune staff in years of service, first came to work for this newspaper.

The present head of Tribune engraving activities recalls the day when he and his chief produced all the engravings used by this newspaper. Today, with a staff of 136 men engaged in the production of halftones, zincs, ben day, newsprint color plates, and copper cylinders for sepia rotogravure and color in the Picture Section and Coloroto Graphic, Louis Racicot heads the department which enables the Chicago Tribune to give its readers probably more pictures each week than any other publication in the world.

BOX CAR NUMBERS DEPT.

During 1937 the Chicago Tribune printed a total of 21,223,618 lines of advertising, or 8,243,438 more lines than any other Chicago newspaper.



John T. McCutcheon
Cartoonist,
Chicago Tribune

"Dean of teachers by the comic line, neither harsh nor obscure, sweet and rich in the understanding that leads human folly to laugh its way into wisdom and the onward road. His satire not to hurt but rather to shame, pointing to social sanity, arousing the political conscience. Playfellow, romanticist, happy in verse and story, medicine man summoner of the dancing spirits



LOUIS RACICOT, head of the Chicago Tribune engraving department, and a member of its staff for fifty years. (See "Pictures in the Paper," Col. 1)

of the autumn glow. And trumpet to the American heart when anguish throbs farewell to marching feet. Civic leader extraordinary, Chicago's John McCutcheon."

William Hudson Harper
Editor Emeritus
Commerce Magazine



Most specialties eventually become commodities. Advertising benefits as it observes the change.

The Chicago Tribune is Chicago's mass merchandising medium, reaching far more families, daily and Sunday, than any other Chicago newspaper.

Making a good product better

Men grow old in the service of the Chicago Tribune but machines never. Not a year passes in which this newspaper does not replace good machinery, still new as machinery goes, with newer and better equipment.

When inventiveness, its own or others', discovers a better way to print, engrave, cast plates, or to do any of the endless jobs that are a newspaper's, the Tribune loses no time in applying the discovery to improve its product.

An impressive demonstration of this basic policy is now taking place. In its

Engraver . . . Pictures . . . For a Better Product . . . Women . . . Salute . . . Mass Merchandising . . . Color Sells More . . . Curiosa . . . Box Car Figures . . . Myriad

TOWER

pressroom the Tribune is installing twenty-two new high speed printing units. Six will be used to print black and white and newsprint color in four colors. The remaining sixteen units will produce Tribune comics in four colors.

When the installation is complete, Tribune press equipment—news press, comicolor and rotogravure—will consist of 150 printing units and 26 pairs of folders.

To Women

Chicago retailers spend more money for women appeal advertising in the Tribune than they spend in the next two Chicago newspapers combined.

CURIOSA

From the Personals column of the Chicago Tribune want ad section.

BRETHREN CORKERS AND FORKERS—Come to church Friday, 8:15, front entrance, Anshe Emet. The Committee.

Does Color Sell More?

Advertisers in the Chicago Tribune apparently think so. During 1937 readers saw more color advertising in the Tribune than in any previous year in this newspaper's history. General, automotive and retail advertisers last year bought color advertising in the Tribune to the tune of 943,605 lines.

High point for a single issue, and an all-time Tribune record, was reached on Sunday, December 12, when the Tribune printed six full page advertisements in newsprint color, five dominant advertisements in coloroto, one full page in Graphic coloroto, and eight eye-catching units in comicolor.

CHICAGO TRIBUNE CIRCULATION

DAILY in excess of 825,000
SUNDAY in excess of 1,000,000